



MKCL

Creating a Knowledge Lit World
www.mkcl.org

Maharashtra Knowledge Corporation Limited

CIN: U80302 PN2001 PLC135348

ISO 9001:2008 company

MS-CIT

Maharashtra State
Certificate in
Information
Technology

KLiC Courses

Gateway to
Knowledge Lit
Careers

MS-ACIT

IT for Teachers

MY Smart Housing Society

Mastering eTests for Competitive Exams

MFS MKCL Finishing Schools

Digital MLS

Maharashtra
Legislative
Secretariat

SeTS Secured eTendering System

Digital University Digital College

OASIS

Online Application
Solutions and
Integrated
Services

MKCL OS MKCL Operating System

SOLAR

Web- based Framework
for Business
Coordination of
the Network

ERA

eLearning
Revolution
for All

OES Online Evaluation System

SCHOOL MIS Management Information System for Statewide School Network

EASY Employment Assistance Services to Youth

15th Annual Report 2015-16

DIRECTORS' REPORT

BOARD OF DIRECTORS

Dr. Anil Kakodkar
Dr. Deepak Phatak
Dr. Rajaram Deshmukh
Dr. Anant Sardeshmukh

Dr. Dilip Boralkar
Dr. Siddharthavinayaka Kane
Dr. Nishigandha Dewoolkar
Mr. Vivek Sawant, MD & CEO &
Appellate Authority (under RTI Act)

COMPANY SECRETARY

Ms. Komal Chaubal, Head - Legal Affairs & Information Officer (under RTI Act)

CHIEF FINANCIAL OFFICER

Mr. Manoj Narvekar

AUDITORS

P.V.Page & Co., Chartered Accountants

COST AUDITORS

S.R.Bhargave & Co., Cost Accountants

BANKERS

HDFC Bank, AXIS Bank, ICICI Bank, Bank of India, State Bank of India.

REGISTERED OFFICE

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SEAWOOD, NAVI MUMBAI

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DIRECTORS' REPORT

To the Members of Maharashtra Knowledge Corporation Limited (MKCL)

Your Directors are pleased to present the 15th Annual Report on the business and operations of the Company together with the Audited Accounts for the financial year ended March 31, 2016.

1.0 FINANCIAL HIGHLIGHTS

The summary of the financial results for the year ended March 31, 2016 vis-à-vis those of the previous year are summarized below:

Particulars	(Rs. In Lacs)			
	Standalone		Consolidated	
	2015-2016	2014-2015	2015-2016	2014-2015
Gross Profit before interest, depreciation and tax	5012.66	4354.33	6045.53	4769.44
Less : Interest	-	-	-	-
Depreciation	303.94	247.25	303.94	247.25
Profit/(Loss) Before Taxes	4708.72	4107.08	5741.59	4522.19
Less : Provision for Current Tax	1600.00	1335.00	1600.00	1335.00
Provision for Deferred Tax	(13.72)	(24.52)	(13.72)	(24.52)
Profit After Taxes	3122.44	2796.60	4155.31	3211.71
Add/(Less): Transfer to Foreign currency translation Reserve	15.09	(0.67)	15.09	(0.67)
Transfer to General Reserve	(300.00)	(300.00)	(300.00)	(300.00)
Proposed Dividend on Equity Shares	(161.60)	(161.60)	(161.60)	(161.60)
Tax on Dividend	(32.90)	(32.31)	(32.90)	(32.31)
Profit carried to Balance Sheet	2643.03	2302.02	3675.90	2717.13

2.0 RESULTS OF OPERATIONS

2.1 Business Performance

2.1.1 Revenues

Total revenues for the year ended March 31, 2016 amounted to Rs.16,194.53 Lacs as against Rs.15,924.66 Lacs for the corresponding previous year, the increase in total revenues is 1.69 % over last year.

2.1.2 Profits after Tax

The Profits after tax for the year ended March 31, 2016 amounted to Rs.3,122.44 Lacs as against Rs.2,796.60 Lacs for the previous year, which is 11.65 % higher than previous year. Turnover of MS-CIT, KLIC Certificate Courses, Digital University - Business Development Program, Nationwide Business Development Program have all recorded positive growth. This year also, the Company has provided for academic and business excellence awards to Network Partners. PPF Awards were also given to Network Partners who were consistent performers for the last decade.

2.1.3 General Reserves

The Board of Directors propose to transfer Rs.300 Lacs to the General Reserves, out of profits earned by the Company for the year ended March 31, 2016.

2.1.4 Dividend

Your Directors are pleased to recommend final dividend @ Rs.2/- per equity share of Rs.10/- each, which if approved in the

ensuing 15th Annual General Meeting, will be paid to those members whose name will appear in the Register of Members as on the date of the 15th Annual General Meeting.

2.1.5 Liquidity

We continue to be debt-free and maintain sufficient cash to meet our strategic objectives. There are no long-term borrowings. During fiscal year 2015-16, internal cash flow has adequately covered working capital requirements. Due to investing and financing activities the net cash flow is Rs.(5,093.81) Lacs as the Company has invested in initial issue of Long Term Tax Free Bonds amounting to Rs.6,449.15 Lacs. As on March 31, 2016, we had liquid assets of Rs.11,793.81 Lacs as against Rs.16,354.98 Lacs at the previous year end. These funds have been invested mainly in Fixed Deposits with Banks and some amounts are invested in Liquid rate Income Funds.

2.1.6 Particulars of loans, guarantees or investments

There are no Loans, guarantees given pursuant to section 186 of the Companies Act, 2013. Regarding investments falling made under section 186 of the Companies Act, 2013, kindly refer note no.2.10 forming part of the Balance Sheet as on March 31, 2016.

2.1.7 Fixed Deposits

The Company has not accepted any fixed deposits and as such no amount of principal or interest was outstanding as of the Balance Sheet date.

3.0 SUBSIDIARIES

3.1 MKCL International FZE - 100% Subsidiary of the Company

MKCL International FZE booked profit of AED 16,94,005/- (Rs.300.72 Lacs) in 2015-16 as against profit of AED 10,88,605/- (Rs.185.30 Lacs) in 2014-15.

3.2 MKCL Knowledge Foundation

During previous financial year, your Company had promoted MKCL Knowledge Foundation (MKCLKF), a not-for-profit organization (Section 8 Company) as a wholly owned subsidiary on September 10, 2014 for undertaking various social objectives. 2015-16 was its second year and it has commenced its activities. MKCLKF was implementation agency of the Company for CSR activities in FY 2015-16. During the year under report, the excess of Income over Expenditure of MKCLKF is Rs.22.26 Lacs as against Rs.(0.64) Lacs in 2014-15.

4.0 REPORT OF BUSINESS OPERATIONS & INNOVATIONS OF MKCL

4.1 OVERVIEW

Introduction:

Maharashtra Knowledge Corporation Limited (MKCL) is a public limited company promoted and established by the Department of Higher and Technical Education, Government of Maharashtra and was incorporated on August 20, 2001 under the Companies Act, 1956.

Equity Profile and Board:

The Government of Maharashtra and ten public Universities in the State of Maharashtra are among the initial equity holders of MKCL. While the Government of Maharashtra has 37% stake, the Universities have 33% and educational institutions, training centers, social organizations, SMEs, directors, employees and others have remaining 30% stake.

The Board of Directors normally consists of three nominees of the Government of Maharashtra, two Vice-Chancellors from among the shareholding Universities, six eminent experts from various sectors of knowledge as the independent directors and the Managing Director.

Financial Self-sustenance

In spite of having Government as a major stakeholder, MKCL does not receive any funding, grant-in-aid or financial assistance, loans or monopoly business contracts from the government. It has been established as an unaided organization. All along MKCL has maintained an unbroken record of a self-sustaining, wealth-creating and ever-growing enterprise. It has also maintained an unbroken record of paying decent dividends every year to the government and other stakeholders right from its inception.

Transformative Agenda:

Keeping in view the rapid emergence of knowledge-based society and knowledge-led economy on the global scale and recognizing that knowledge is increasingly becoming synonymous to wealth, MKCL is dedicated to the cause of bridging the **Knowledge Divide** and resultant **Development Opportunity Divide** faced by the common people in general and youth and school students in particular.

The main mission of MKCL, therefore, is to create new value-based paradigms in education, governance and empowerment of common people in the context of rapidly emerging knowledge-based society and knowledge-led economy and consistent with development opportunities therein.

As most of the new actionable knowledge is being digitally born (often through digital collaborations), digitally stored, digitally presented, digitally distributed, digitally accessed, digitally archived and managed, and in many cases even applied digitally for socio-economic progress, it becomes absolutely essential to pursue the transformative agenda of bridging the Knowledge Divide and resultant Development Opportunity Divide by first helping the common people in effectively bridging the **Digital Divide**.

Unique Identity:

The major challenge before MKCL in pursuing this agenda of bridging these new divides is to offer appropriate solutions and services for accessing education, governance and empowerment opportunities appropriate to emerging knowledge era by a large and diverse population with a world-class quality, at a very affordable cost, with a widest accessibility from metros to rural, tribal and hilly areas and in a just-in-time manner with a deeper personalized service experience on a mass- scale.

In other words, these six simultaneous challenges or mission objectives of MKCL for transformation in the fields of digital literacy, education, governance and empowerment may be summarized as **Bigger, Better, Cheaper, Faster, Wider and Deeper!**

In order to address all these six challenges simultaneously, MKCL uses two solvers viz. to simultaneously become **Smarter and Wiser**. In order to grow smarter in solving these challenges, MKCL right from its inception has recognized the transformative role of appropriate use of Information Technology as an equalizer, economizer, mass-scale enabler, accelerator, quality enhancer and mass-personalizer. And in order to grow wiser and thereby avoid duplication of expenses, MKCL decided to forge several partnerships with organizations having complementary strengths so as to network all available resources such as infrastructural, financial, human, intellectual, educational, etc.

MKCL, therefore, has been continuously designing, developing and successfully deploying very imaginative, pervasive and appropriate applications of Information Technology in universalization of digital literacy, as well as in transforming education, governance and empowerment processes in particular and socio-economic transformative processes in general. As a result MKCL has attained a unique identity as an organization capable of universalization and integration of Information Technology in all walks of life.

MKCL designs, develops and deploys state-of-the-art eLearning, eGovernance and eEmpowerment models, frameworks, technologies, products, solutions and services at affordable costs for the common people. All the MKCL models, frameworks, technologies, products, solutions and services are comparable to the best options in global context in terms of architecture, price to performance, outreach and customer satisfaction.

With its range of products and services in the field of eLearning, eGovernance and eEmpowerment, MKCL has emerged as a **Fast-track IT Enabler / IT Integration Partner / Business Process Re-engineering Partner** of the educational institutions ranging from schools to universities as well as of the government, semi-government and community organizations.

ISO 9001:2008

In addition to its existing Enabling Programs helping all its Business Development Programs, MKCL, in the year 2013-14, started two new enabling programs viz. Quality Management Program and Customer Relationships Management Program. As a result of rigorous work under these two programs quality management and customer centricity were brought at the center stage of all programs through training programs, dialogues, meetings, discussions, documentation, institutionalization of

QMS in MKCL and concrete actions and their regular audits in all programs. All programs thus defined their **Quality Objectives in addition to their Business Objectives** and started conscious pursuit of achieving them.

All these organization-wide efforts and gradual change of mindset at the ranks and file finally led to the award of **ISO 9001:2008 certification to MKCL in April 2014** by British Standard Institute (BSI). MKCL has also successfully completed the annual surveillance audits thereafter.

Digital Skills Development and Bridging the Digital Divide:

The emerging information technology revolution is giving rise to a globally connected society. This society is generating exceeding 90% of the new actionable knowledge digitally and collaboratively. The ability to use digital technologies shall, therefore, be critical for participating in developing and accessing new actionable knowledge and accessing new career and development opportunities resulting out of the new knowledge.

Those who are denied the access to the information technology shall, thus, be deprived of the opportunities of the new world and shall face the crisis of Digital Divide in addition to economic divide, social divide, gender divide, etc.

In order to bridge the digital divide, bring the common people closer to the ethos and opportunities of the knowledge society and knowledge-led economy and with a view to bringing the real fruits of Information technology to the masses for their survival, development and empowerment, MKCL conducts **Maharashtra State- Certificate in Information Technology (MS-CIT)** course in the state of Maharashtra, since 2002. MS-CIT attempts to propagate IT Awareness, Literacy, Functionality and Applicability among the common people with a view to bridge the Digital Divide and the resultant Knowledge Divide and Development Opportunity Divide. MS-CIT has thus emerged as a gateway to careers and global developmental opportunities to the common people.

During last **14 years**, more than **10 Million Learners** have registered themselves for this course and have become smart users of IT. This is perhaps the world's highest record in the field of bridging the Digital Divide among the masses and promoting **Digital Citizenship** among them. MS-CIT brand has thus become synonymous with **digital empowerment of common people of Maharashtra in their personal, professional and social life**.

MS-CIT Learners include school students and college youth, parents and teachers, government employees and officers, employees and officers from private sector and cooperative sector, doctors and engineers, lawyers and accountants, artists and craftsmen, professionals and businessmen, farmers and workers, women and senior citizens, activists and representatives of public, etc.

Government of Maharashtra has also issued a Government Resolution stating that MKCL's IT literacy course viz. MS-CIT, is also one of the essential eligibility criteria for recruitment to the posts of Grade A, Grade B and Grade C in all the Government Departments and semi- government organizations in the Maharashtra state.

MKCL's Network of Authorized Learning Centers (ALCs):

In order to facilitate such a large number of learners in various parts of the state, MKCL has established about **4500+ Authorized Learning Centers (ALCs)** and Satellite ALCs under its unique public-private-partnership framework. With the help of these network partners, MKCL offers wider accessibility of its services to the masses with a uniform coverage in metros, cities, semi-urban areas as well as rural, tribal and hilly areas of the state. In order to improve the outreach, a few temporary satellite centers are also added to the network for the convenience of larger number of learners registering in the summer vacation.

These 4500+ ALCs are equipped with state-of-the-art computing infrastructure on LANs with their own 4500+ proxy servers backed up by MKCL's formidable, scalable and secure server farm infrastructure with server virtualization and dynamic load balancing technologies at the central data center and **about 75,000 personal computers**. These computers are equipped with state-of-the-art operating systems, antivirus software, application software and broadband internet connectivity. MKCL has also installed Bio-metric finger-print recognition devices at all the ALCs for learner identity and presenty management. All the personal computers at all the ALCs are also being equipped on behalf of MKCL with the state-of-the-art web-cameras for operationalizing the evidence-based learning and assessment framework. These two facilities help MKCL Network emerge as **one of the largest and reliable evidence-based Online Testing Facilities**. All these machines are managed online and supported remotely through **MKCL's IT Assets Management Framework viz. WORM**.

The paperless management of this world's largest network of IT learning centers is facilitated by MKCL's homegrown web-based software framework- viz. **SOLAR**. This framework seamlessly facilitates a complex management of inter-related **learner life-cycles, center life-cycles, channel partner life-cycles and course/business activity life-cycles** including the management of financial transactions through 4500+ net banking accounts.

Apart from marketing, promotion, counseling, sales and academic services, the network partners have regularly participated in common marketing fund contribution for optimization of marketing expenses and avoiding duplications and expanding

the outreach. All the network partners ensure compliance to brand specification guidelines so as to achieve MS-CIT Brand Enhancement and Brand Persistence. All the network partners are also regularly participating in frequent online polls for taking various crucial business and academic decisions in an open, transparent, democratic and participative manner.

MKCL is constantly and very carefully nurturing this network for last 14 years. As a part of the nurturance activities, **PPF Awards** are given to consistent performers of the decade. Similarly all 4500 ALC coordinators have been covered under **Medical Insurance and Accident Insurance**. In addition many academic and business excellence awards have been given to deserving ALCs. Microsoft and Adobe licenses have also been distributed to eligible ALCs. All these initiatives of MKCL have enhanced the atmosphere of confidence and mutual trust between MKCL and 4500 ALCs spread over the entire state.

A rigorous definition of Model ALC has been synthesized through series of discussions and brainstorming sessions at various levels. The continuous, comprehensive and online assessment of ALCs is carried out on these critical performance indicators and sub-indicators in each financial year.

MKCL's eLearning Prowess:

MKCL's homegrown eLearning platform viz. **ERA (E-Learning Revolution for ALL)** includes:

- **eContent Development Factory**
- **eContent Distribution and Management System**
- **eLearning Environment and Process Management System**
- **eAssessment Management**
- **Instant eEvaluation and eCertification System** for diagnostic, formative and summative assessments and
- **Learner Performance Analytics** for further improvements in content, environment and processes deployed for learning and assessment

ERA is available in truly online mode as well as in a quasi-online mode on the 4500+ servers and LANs at all the 4500+ authorized learning centers for serving millions of learners undergoing various courses in self-paced, interactive and social-media enabled collaborative learning environment. ERA also connects itself to the mobile phones of the learners, learning facilitators and managers for better management of learning progression of the millions of learners.

MKCL's ERA perhaps, is **the largest eLearning facility with largest user-base in India** operating in a stable manner at the grass-roots over 14 years. It has overcome the barriers of long power outages on one hand and traditional and difficult-to-break teacher-centric mindsets on the other. ERA Platform today is not just accepted but highly sought after by millions of learners including even the senior citizens because of the unique underlying pedagogy / andragogy of **Inform-to-Perform and Perform-to-Transform approach** as against the traditional emphasis on only inform type of teacher centric education system. The success of ERA lies in the uniqueness of integrated unfoldment of **Learning Content, Learning Process and Learning Environment**.

Due to the implementation of technologically facilitated and personalized but sequential and guided Process of Learning, ERA has also emerged as a framework for global and local monitoring of every step of academic progression of millions of learners. The vast amount of continuously logged and securely maintained academic progression data of learners (with the IP addresses of the computers being used by them at that time) has emerged as a rich and trustworthy repository for **Big Data Learner Analytics, research, reporting and continuous improvement of quality of learning and assessment**. It has also improved the traceability, verifiability, falsifiability and overall transparency in learning and continuous assessment of each learner across the state-wide network.

The uniqueness of MKCL's IT Literacy and Functionality skill building approach is in its emphasis of not just imparting **differential skills** but in its periodic punctuation of hundreds of non-obvious "**Take-a-Challenge**" situations and then imbibing **integral skills** with **global best practices**. The learner is then exposed to several real-life "**Take-a-Bigger Challenge**" situations and "**Take-a-Grand Challenge**" situations with ab initio step-by-step creation hundreds of simple and complex **socially useful and productive outputs** by gradually using and mastering preliminary as well as advanced features of various office tools and other IT applications.

MKCL's innovations in eLearning Process are enlisted below:

1. **Voice Typing Skill** with a speed of about 200 words per minute in English and Hindi
2. Parity with various **international standards** such as International Computer Driving License (ICDL), European Computer Driving License (ECDL), National Educational Technology Standards, ISTE Standards, Global Digital Literacy Course Standards, etc.
3. New Topics like **go green, ergonomics**, etc.
4. **Natural sequence of learning** breaking the traditional boundaries of tool-based topics.

5. Situation based content in the form of **100+ real life situations**.
6. **Fork and Join Construct** in sequential learning to offer in parallel the different case studies (but containing same concepts) for different interest groups
7. **eProcessfolio** feature in ERA for MS-CIT and other courses: Previously the learners used to develop socially useful outputs by using office tools and publish them in their ePortfolio in ERA. Now they can record the complete process of development of the socially useful outputs along with their own voice and video commentary and publish it on YouTube server. As a result the learner's performance can be viewed and assessed by anybody from anywhere and at any time wherein one can see learner's screen showing the step-by-step process of development of output along with a small window on bottom right corner (picture-in-picture/PIP mode) showing the video of the learner while s/he was developing that output and simultaneously giving commentary on how is s/he is developing that output. Thousands of MS-CIT Learners have published their eProcessfolios on YouTube for evidence-based assessment by anybody.
8. **BlackBox Monitoring Tool** which stores snapshots at regular time-intervals or video of activities of the user inside the computer and outside for deciding upon his/her ethical behavior
9. **Unstructured Exploration** facility to help learners learn constructively and freely and yet observe his performance on the background and admire him or guide him contextually.
10. **Ask Live Expert (ALEX)** facility with a 5 stage gradual support system to remote learners through eLearning framework

In MS-CIT the learner is first exposed to world-class real-life case studies of socially useful and productive outputs and their appreciation. S/he then is guided from **appreciation to imitation** of those case studies; then from **imitation to emulation**; from **emulation to innovation or self-expression**; from **self-expression to self-confidence** and from **self-confidence to self-esteem!**

Rich-media, interactive, self-paced and perform-type of engaging multimedia eContent (in **Marathi, English and Hindi as well as many regional Indian languages and many foreign languages**), world-class 4-colour and highly illustrated printed study material developed based on learner-development-centric instructional design and constructivist pedagogy and seamless convergence of learning and continuous assessment are some of the hallmarks of the education experience MKCL brings to the millions at an affordable cost.

Over a period of time, our **25,000+ trainers/learning facilitators** have discovered that they do not get displaced by eLearning technology if they are ready to play a very creative role of an interactive coach where this technology reaches its limits. This offers them more meaningful and satisfying co-existence with technology and sets them free from traditional teaching and assessment drudgery. This also makes overall learning process more affordable and self-replicable. A creative involvement of more than **25,000** certified and periodically re-certified trainers/ learning facilitators helps MKCL's education system assume a desirable blend of **high-tech with human touch**. The eLearning technology and the human touch of learning facilitators together achieve incredible results!

The Learning Facilitators are rigorously trained in creating eLearning content on locally relevant case studies of applications of various IT tools to be added in curriculum.

The implementation of MS-CIT is not only a mission to bridge digital divide but also a large-scale and unique educational transformation. It has been the result of continuous blend of **pedagogic innovations, technology innovations, partnership innovations and entrepreneurial business innovations and social accountability innovations**. This is a unique example of blend of six mega-trends of 21st century viz. **Digitization, Virtualization, Mobilization, Social Mediation, Mass-Personalization and Glocalization**.

MKCL's Knowledge-Lit Careers Oriented Skills Development Program - KLiC:

In addition to the Digital Literacy skills development course, MKCL, under its KLiC brand, also offers employability skills development modules as KLiC Certificate Courses at about 4000 ALCs in the state in many sectors and tracks such:

1. Financial Accounting, ERP, Banking Financial Services and Insurance (BFSI), ...
2. Retail Management, Selling, Customer Service, ...
3. Marketing, Tele Marketing, Tourism, ...
4. Business Process Management (BPM/BPO), Call Center, Back Office, Customer Support, ...
5. Advanced Office Productivity Tools, Small Business Management, ...
6. Travel and Tourism, Logistics, ...
7. eEducation, Instructional Designing, ...
8. Creative Digital Arts, Desk Top Publishing, Illustrations, Graphic Design, Image Editing, Video Editing, Web Designing, ...
9. AutoCAD, 3D Modeling, 3D Texturing, 3D Lighting, 3D Compositing, 2D & 3D Animation, ...

10. Scratch Programming, Game Designing, ...
11. Programming and Software Development, Mobile Apps Development, Web Development, Software Support, ...
12. Hardware and Networking, IT Help Desk, Troubleshooting, IT Assets Management, Hardware Support, Network Support, Desk Top Support, Security Support, Windows System Administration, ...
13. Life Skills for Workplace Readiness, ...

The focus of KLiC Courses is on knowledge-based skills and Career development in diverse areas of services sector.

The KLiC Learners enjoy the benefits of MKCL's unique eLearning environment and MKCL's role-based and work-centric (and not book-centric or information-centric) vocational education approach. During the course, the learners are trained to produce **socially useful and productive work (SUPW)** as enshrined in Mahatma Gandhi's Nayi Taleem. The learning process is so designed that it begins with work, from the work, learner derives knowledge and then applies that knowledge to produce wholesome work. Thus, the learner development continues on an ever evolving upward spiral. KLiC Courses try to develop earning potential through (L)earning!

These learners are assessed by using **MKCL's Evidence-Based Assessment System** which enables assessors to evaluate the skills of the remote assesseees. This upward spiral continues to take the learner to higher levels of excellence and enhances his/her employability, knowledge, confidence and self-esteem. KLiC Courses are recognized by the Yashwantrao Chavan Maharashtra Open University. So far more than 2,00,000 learners underwent various KLiC Courses.

MKCL's EASY (Earning assistance Services to Youth):

In order to encourage especially the rural and semi-urban youth to pursue careers in the knowledge-based economy, MKCL awards free KLiC, KLiC+, KLiC++ Diploma Certificates to KLiC learners who successfully complete 4, 5 or 6 KLiC Certificate Courses, preferably in a particular track.

The KLiC Diploma holders are being further developed in the area of Digital Freelancing so as to ensure decently rewarding, locally pursuable and globally relevant careers with earning opportunities in the virtual freelancing space. This is a modest step and yet another experiment of MKCL in bridging the opportunity divide.

Instead of indefinitely waiting for a placement in a company, a KLiC learner can start modest earning through freelancing if s/he is adequately trained and facilitated. In case of especially meritorious women from rural and semi-urban areas, this may prove to be an empowering boost in the context of their inability to leave homes and travel daily to workplaces or leave native places and migrate to big cities for a job.

In order to accomplish this ambitious objective of **Earning Revolution for All** (a new full form of ERA!) a software framework called **EASY (Earning Assistance Services to Youth)** has been developed this year to train these KLiC learners to actually perform in a mock freelancing digital market place and earn money as well as self-confidence to enter into digital freelancing.

Meritorious learners are being given digital freelancing opportunities by MKCL through EASY and they are suitably rewarded by MKCL subject to actual delivery of artifacts strictly meeting the stipulated quality and delivery periods. A facilitation and fulfillment team has been created for guiding thousands of KLiC Learners spread across the state and for handholding with them for their successful entry into the exciting world of digital freelancing.

In addition to EASY framework for self-employment through freelancing, **MKCL's Career for You** framework is used for placement of learners in industry.

MKCL emerging as a Knowledge Partner for State Skill Development Missions:

In last couple of years, various state governments in India have established their respective Skill Development Missions for skilling, reskilling and up-skilling the youth on a large scale and in a time bound manner. In view of its long experience and expertise in the field of managing skill impartment on a state-wide scale by developing and successfully deploying software frameworks for skill development management and administration, eLearning, eAssessments and placements, MKCL is emerging as a Knowledge Partner for skill development missions being established by various state governments.

MKCL's unique and proven as well as configurable and customizable frameworks for following tasks are proving to be very useful for skill development missions:

- Skill Development Mission's Portal Creation & Management
- Skill Development Partners' Life-Cycle Management
- Skill Development Centers' Life-Cycle Management
- Skill Development Courses' Life-Cycle Management
- Skill Development Candidates' Administrative Life-Cycle Management

- Skill Development Candidates' eLearning, eAssessment & Placement Life-Cycle Management
- Skill Development Schemes/ Programs Life-Cycle Management

In addition to the software frameworks and eLearning content for skill development in various sectors, MKCL's knowledge base expressed in the form of following models is being recognized as a valuable resource by the skill development missions:

- Business Models based on Public-Private-Community Partnerships synthesizing the desirable features of Government, Private and Social Sectors
- Governmental Training and Development Schemes Management Model
- Innovative Models for Creation of Statewide Networks of Skill Development Centers (SDCs)
- Brick and Mortar Infrastructure Development and Maintenance Models for SDCs
- Computing and Communication Infrastructure Specification, Provisioning/Sourcing and Maintenance Models for SDCs
- Model for Remote Installation, Commissioning and Maintenance of Software Frameworks at SDCs
- Model for Software Licenses procurement and Distribution to SDCs and Avoidance of Piracy
- eLearning Content Development and Distribution Model
- SDC Assets Management Model
- SDC Human Resource Training and Development Model
- SDC Human Resources Welfare Model
- SDC Support and Grievance Redressal Model
- Model for Change Management
- Supply Chain Management Model for Study Material, Promotional Materials, etc
- Statewide Network Coordination Model
- Branding, Marketing, Promotion, Events Management and Publicity Model
- Parent Counseling, Candidate Profiling, Counseling and Career Guidance Model
- Candidate Registration and Enrollment Model
- Fee Collection and SDC Performance-based Fee Share Distribution Model
- Revenue Recognition and Reconciliation Model
- Academic Delivery Model
- Learning Progression Tracking and Monitoring Model
- Attendance Tracking, Continuous Assessment, Summative Evaluation and Certification Model
- Placement Assistance and Post-placement Tracking Model
- Candidate Relationships Management Model
- Model for SDCs' Statutory and Regulatory Compliances
- SDC Vigilance, Disciplinary Actions and Dispute Resolution Model
- SDC Quality Management , Assessment, Accreditation and Monitoring Model
- Performance-based Rewards Distribution Model
- Financial Sustainability Measurement Model
- MIS, Analytics, Business Intelligence and Decision Support Model
- Data Security, Data Archival and Referral Model and many more...

Based on last 14 years of conscious effort of knowledgeing the products and processes and productizing the knowledge in the form of above mentioned models and their software incarnations, MKCL could become the successful bidder and has been recognized as Knowledge Partner of Bihar Skill Development Mission (BSDM) of the Government of Bihar. An agreement to that effect was signed on July 15, 2016. Under this agreement MKCL as a knowledge Partner shall provide its proven expertise against royalty to BSDM for skill development of 1 Crore/ 10 Million youth in Bihar by the year 2021.

MKCL Finishing Schools:

MKCL in partnership with some of the leading corporates in the ITES/BPM sector such as Tata Business Support Services Ltd, Tech Mahindra Ltd, WNS Ltd. etc. implements 3-year B.B.A. in Business Process Management (BPM) degree program recognized by Yashwantrao Chavan Maharashtra Open University.

This is a very innovative "learn while you earn" type of degree program in which students from rural and economically disadvantaged sections of the society are selected on merit basis and given internships in these corporates in the area of BPM. They are acquiring knowledge through actual work in the company and applying this knowledge to make the work more profound and wholesome. It is recognized by giving them work credits having 50% weightage in the degree program. End-of-

the-day reflection sessions by senior members are integral part of the educational process and have proven very effective for the students to derive knowledge from the work done during the day.

The remaining 50% credits are knowledge credits which are earned through eLearning. For this purpose a constructivist LiVE ERA framework under the brand **LiVE (Learning In Vocational Environment) ERA** framework has been deployed. In the eLearning component the students are given an opportunity of situational learning to gain insight of various verticals of services sector such as: banking, finance, accounting, legal, insurance, hotels, restaurants, hospitality, travel and tourism, education, healthcare, trading, messenger services, communications, business process outsourcing BPO and KPO, call centers, front office management and CRM, transportation and logistics, event management, art, culture, media and entertainment, retail, IT Infrastructure Support, Market Research, telemarketing, etc.

This unique program attempts to solve the problem of attrition in the corporates, problem of unemployment among the students, problem of relevance of degree program in the universities vis-à-vis the needs of industry and problem of social unrest among the educated but unemployed youth as faced by the government and society.

MKCL's Mastering Series:

MKCL offers a truly online as well as an ALC-based quasi-online mock testing series with instant online assessment and automated personalized feedback service under its brand - viz. **MASTERING**. It is a facility available almost anytime, anywhere.

These mock eTests series have chapter-wise tests, combo-tests as well as full paper tests for various competitive examinations for admissions and recruitment such as **JEE/CETs for engineering, medical, GATE, MPSC/UPSC, Banking Selection, National/State Teachers' Eligibility Tests, Group B, C selection, Career Profiling**, etc. It is not just a low cost but a high academic quality offering. Each multiple choice option in the answers of thousands of questions is a well-designed conceptual distractor rather than an option being either obviously correct or arbitrarily wrong. All options are non-obvious, all of them appear to be correct and the wrong ones among them point out the conceptual gaps of the learners erroneously selecting them. The learners can, therefore, be counseled by the system for improvement by providing necessary academic inputs. The test series is thus not just formative but diagnostic and corrective.

MKCL's Digital University:

Under its Digital University and Digital College software frameworks, MKCL now offers direct student facilitation services to **14 universities, 6000 colleges and 4 million+ students every year**. The footprint of Digital University has now also been consolidated in Gujarat and is expanding in Haryana and Odisha, etc.

Digital University is essentially a software framework for seamless management of life-cycles of millions of students, thousands of institutions and tens of thousands of courses/credits. The digitally empowered students' life-cycle management is the core of this framework. It offers eServices at affordable costs to millions of students at all stages throughout their university life-cycle **right from the student online admissions up to the award of degrees and placement assistance**.

It is one of the most highly scalable, integrated, seamless and end-to-end Educational eGovernance Framework in Indian Higher Education sector and has applicability to Open and Distance Learning (ODL) sector as well involving **Open Universities and Distance Education Directorates/Departments** of traditional Universities.

Being well architected and parameterized, this framework is also applicable for the **Educational eGovernance of the School Networks** such as SSC, HSC, CBSC Boards or Parent Bodies with large number of affiliated schools for their online School life-cycle management, course life-cycle management, and student life-cycle management at very affordable cost and with high quality.

MKCL's OASIS:

MKCL, under its Online Application Solutions and Integrated Services (MKCL's OASIS) brand, offers end-to-end **online admission, online examination** with instant results, online selection based on instant merit-list generation, online scholarships disbursements, **online recruitments**, CRM, government scheme implementation services to **2.5 million+ students/ applicants/ candidates/ beneficiaries every year**. The cumulative count of OASIS applicants over last 13 years has exceeded the **12.5 million** mark.

MKCL's OASIS Framework together with the ERA Online Evaluation Framework has been used for online admissions and online entrance tests in a fast-track, transparent and affordable manner for **B.E./B.Tech. M.E./M.Tech., Medical, Pharmacy, Architecture, MBA, MCA, B.Ed, ITI**, various Diplomas and Ph. D. courses over a decade.

MKCL's OASIS Framework supports several government departments, staff selection commissions, local self-government agencies, semi-government organizations, universities, directorates, boards, educational institutions, banks, public, private and cooperative sector employers, etc. for their IT-enabled recruitments in a fast-track manner and with effective outreach

to the masses on a state-wide scale including rural, tribal and hilly areas through MKCL Network.

MKCL's OASIS has offered erstwhile inaccessible higher education opportunities and job opportunities to thousands of needy youth from all these areas in an affordable and transparent manner.

MKCL's eGovernance Initiatives:

- MKCL's Secured eTendering System - **MKCL's SeTS** - is a proven solution for eProcurement and eAuctioning and is being used by many Public, private and co-operative Sector Undertakings over last decade for procurement of good and services exceeding about **8 Billion+ US Dollars** in a transparent and secure manner with significant reductions in procurement life-cycles and procurement costs. This solution, apart from being applicable to individual companies, is also being preferred by sector-wise associations of various industry verticals to cut down the cost of raw materials by the periodic collective/group procurement for their members.
- MKCL has also designed and developed a comprehensive framework for eGovernance of **Maharashtra Legislative Secretariat (MLS)** and several sessions of Maharashtra Legislative Assembly and Council have been successfully managed through this framework.

Excellence and Talent Nurturance Program:

MKCL has been implementing Maharashtra Olympiad Movement for last eight years and has nurtured several talented school children from all over the state for their entry into international science, mathematics, astronomy, earth sciences and environment Olympiads.

MKCL's Other Products and Services:

Apart from these products and services, MKCL also has developed and started business selling and deploying many state-of-the-art transformative frameworks, products, solutions and services such as:

1. **MKCL OS** (Repository of commonly required/reusable software components)
2. **MKCL's Ideal Gram Assessment Framework**
3. **MKCL's Gram Sabha Empowerment (sashaktikaran) Framework**
4. **MKCL's Household Survey and Micro-Planning Framework**
5. **MKCL's GPS Based Mapping, Monitoring and Tracking System for Govt Schemes**
6. **MKCL's My Smart Housing Society Management Framework**
7. **MKCL's eVidyalaya Framework for state-govt's school networks**
8. **MKCL's eTutoring System for access to remote tutors**
9. **MKCL's Statewide School Network MIS Framework for State Govt**
10. **MKCL's SuperCampus Framework for Educational Transformation on Campuses**
11. **MKCL's Assessment and Accreditation Framework for schools, ITIs, polytechnics, colleges, Universities, etc**
12. **MKCL's Secured Remote Question Paper Delivery System**
13. **MKCL's Libraria for Library Automation of educational institutions**
14. **MKCL's HRMS (for Govt/Private Human Resources Management System)**
15. **MKCL's Universal Payment System**
16. **MKCL's MyPortal (for developing web portal of any organization)**
17. **MKCL's Webcasting System**
18. **MKCL's IT Assets Tracking System**
19. **MKCL's Workflow Management Framework**
20. **MKCL's Document Management System**

Youth Empowerment:

Apart from offering the eLearning, eGovernance, and eEmpowerment services to millions of citizens in the state, leading to enhancement of their employability, upward mobility and social status, MKCL's state-wide network of 4500+ centers has also provided direct opportunities of **direct self-employment, employment and co-employment to about 25,000+ youth** in the field of strategic business coordination, IT training, marketing and counseling, learning center coordination, hardware and network maintenance, OASIS applicant facilitation at these centers in their native places by avoiding their forced migration to big cities. Generation and 14 year-long sustenance of numerous indirect employment opportunities is yet another spin-off of MKCL's statewide network.

MKCL has also created many **internship opportunities** for youth such as Digital Creations Internships, User Interface/ User Experience (UI/UX) Design Internships, Internships through MKCL Finishing Schools in MKCL and in many corporates in ITES/ BPM sector, 150+ Marketing Internships in all districts of Maharashtra for promotion of MKCL's products and services and internships for operating Student Facilitation Centers (SFCs) and College Facilitation Centers (CFCs) in various universities implementing MKCL's Digital University Framework.

MKCL in India:

With a view to offer the benefits of MKCL's proven pedagogy, technologies, innovative business models, best practices, academic course offerings in eLearning mode for enhancing employability, various IT-enabled solutions and services in education, governance and empowerment sectors to the masses outside Maharashtra at very low cost but with high quality, MKCL has established Joint Venture Companies with the various State Governments.

Rajasthan Knowledge Corporation Limited (RKCL), Odisha Knowledge Corporation Limited (OKCL) and Haryana Knowledge Corporation Limited (HKCL) are notable examples of such collaborative endeavors. All these JVs are self-sustaining and wealth creating ventures with remarkable positive social impact in digital empowerment of common people in these states and a source of pride for respective state governments. Apart from establishing the validity of MKCL's vision and model outside Maharashtra, these JVs have also proven to be a modest source of earning for MKCL, largely by way of royalty on various IPRs of MKCL.

In addition to the abovementioned states, MKCL also regularly and successfully implements many of its digital frameworks, products, solutions and services in other 10 states of India viz. Gujarat, Goa, Karnataka, Uttar Pradesh, Bihar, Jharkhand, Madhya Pradesh, Chhattisgarh, Andhra Pradesh and Tamil Nadu for propagation of MKCL's products and services in these states.

MKCL Abroad:

With a view to propagate the rich repertoire of its intellectual property, MKCL has also created joint ventures abroad through its subsidiary viz. MKCL International FZE, Sharjah, UAE.

MKCL Arabia Ltd. (in Saudi Arabia along with its branch in Egypt) and **MKCL Lanka (Private) Ltd.** are the existing operational Joint Ventures.

5.0 QUALITY INITIATIVES

We continue our journey of delivering value to our customers through significant investments in quality programs. We continue to adhere to international quality standard certification ISO 9001:2008. Our Quality Management Program (QMP) handles change management initiatives to drive quality and productivity improvements across the Company.

6.0 DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

Internal Complaints Committee (ICC) was constituted in 2014 under section 4 of The Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013 ("the Act"), to redress complaints received regarding sexual harassment. Ms. Veena Kamath, Senior General Manager, HRD is the Presiding officer of the ICC. All women employed (including permanent, contractual, temporary, trainees) in the Company are covered under this policy. No sexual harassment complaint has been received during the year 2015-16 by the ICC.

7.0 CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

7.1 Conservation of Energy

The Company continues its focus on energy conservation. In existing facilities, energy usage was optimized by constant monitoring; avoiding wastage and strict preventive maintenance of all equipment's to ensure their efficient operation.

7.2 Technology Absorption

During the period under review, the company has not incurred any costs on technology absorption.

7.3 Foreign Exchange Earnings and Outgo

During the year under review, the foreign exchange earnings were Rs.245.85 Lacs and the foreign exchange outgo was Rs.1.56 Lacs.

8.0 PARTICULARS OF EMPLOYEES

No employees are falling within the limits specified under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

9.0 DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to requirements of section 134 (3) (c) of the Companies, Act, 2013, the Directors confirm that:

- i. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period.
- iii. the Directors have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. the Directors have prepared the Annual Accounts on a going concern basis.
- v. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

10.0 CORPORATE GOVERNANCE

Corporate Governance is an ethically driven business process that is committed to values. This is ensured by conducting business with a firm commitment to ethics and values, while meeting all stakeholders expectations. Your Company's business are managed in a fair and transparent manner.

The Board of Directors in its meeting held on November 18, 2015 approved the MKCL (Finance & Accounts) Regulations, 2015, which replaced the 'Maharashtra Knowledge Corporation (Finance) Regulations, 2003. It is expected that F & A Regulations 2015 will provide greater flexibility to officers in transacting Company business while ensuring accountability commensurate with responsibility at different levels of the organization.

Further, the Investment Policy was approved by the Board of Directors on March 03, 2016 pursuant to Regulation 78 of Chapter 7 of the F & A Regulations 2015. In general, the purpose of this policy is to outline a philosophy and attitude that will guide the investment management of the assets toward the desired results. It is intended to be sufficiently specific to be meaningful, yet flexible enough to be practical.

The Board of your Company consists of six independent directors and in FY 2015-16, all the Board Meetings were chaired by an independent director, Dr. Anil Kakodkar. All the Committees are also Chaired by independent director. The Board members devote sufficient time, give valuable guidance, insight on critical and strategic matters and assist the Company in implementing the best corporate governance practices.

10.1 Board Diversity

The Company recognizes the importance of a diverse Board in its success. A diverse Board can leverage differences in thought, views, perspective, knowledge, skill, domain expertise, industry experience, cultural and geographical background, which will help us in achieving our cherished mission. Your Company's Board represents such diversity as is evident from the below-

Dr. Anil Kakodkar, the distinguished nuclear scientist of India, obtained his BE (Mech. Engineering) degree from the Bombay University in 1963 and M.Sc. in the Experimental Stress Analysis from the Nottingham University in 1969. He joined the Bhabha Atomic Research Centre (BARC) in 1964 and became the Director of BARC in the year 1996. He was the Chairman, Atomic Energy Commission and Secretary to the Government of India, Department of Atomic Energy, during the years 2000-2009. Currently, he holds INAE Satish Dhawan Chair of Engineering Eminence at BARC and is also Chairman of Rajiv Gandhi Science and Technology Commission. Dr. Kakodkar devotes his time primarily on issues related to energy, education and societal development. He is associated with various national and international science institutes.

For his outstanding contributions, Dr. Kakodkar was awarded the Padma Shri in 1998, the Padma Bhushan in 1999 and the Padma Vibhushan in 2009 by the Government of India.

Prof. Deepak B. Phatak, holds Subrao M Nilekani Chair Professor in Department of Computer Science and Engineering. He obtained his Bachelor's degree in Electrical Engineering from SGSITS Indore in 1969, and his M Tech and Ph D from IIT Bombay. He has been serving with IIT Bombay since 1971. He headed the CSE department from 1991 to 1994. He was the first Dean of Resources of the Institute from 1995 to 1998. He was the founding head of the Kanwal Rekhi School of IT from 1998 to 2002. He briefly served as head of SJ Mehta School of Management, from 2004 to 2005. His research interests are Data Bases and Information Systems, Software Engineering, System Performance Evaluation, IT enabled Education and IT strategy planning. His primary research inclinations are in Technology application and deployment. He works on several committees advising Central and State Government departments, on issues related to IT projects.

Prof. Phatak was conferred Life time achievement awards by Skoch foundation in 2003, by Data Quest in 2008, and by Dewang Mehta Business School awards in 2010. He was listed among fifty most influential Indians, by Business week in 2009. He received the 'Excellence in Teaching' award of IIT Bombay in 2009; and the IIT Bombay Industrial Impact award in 2010. He was honoured by IIT, Powai with 'Jeevan Gaurav' Award. In 2013, he was conferred the Padma Shri award by the Government of India, for his services in Science and Technology.

Dr. Rajaram B. Deshmukh is ex-Director, Agriculture Science & Technology Division, Vasantdada Sugar Institute and ex-Vice Chancellor of Mahatma Phule Krishi Vidyapeeth, Rahuri. Dr. Deshmukh completed his post graduation in Cytogenetics and Plant Breeding in First Class from College of Agriculture of Pune University. He also is a Ph.D. from Mahatma Phule Krishi Vidyapeeth. He has worked on several Committees of the Universities, State Government and the ICAR.

Dr. Deshmukh's contribution in the field of research and development was recognized by several national and international agencies. Some of the important awards are Colombo Plan Award 1992, ISPRD National Award 1998, ICRISAT'S "Doreen Mashler" International Award 2002, CGIAR'S "King Baudouin" International Award 2002. Dr. Deshmukh also worked as Adviser for Dry Land Agriculture Mission of the Department of Agriculture, Government of Maharashtra.

Dr. Anant Sardeshmukh is the Director General of Mahratta Chamber of Commerce, Industries and Agriculture, Pune (MCCIA). He has a Masters degree in Labour Welfare and Industrial Relations, from Bombay Labour Institute and a Masters in Business Administration (MBA) from the USA with special emphasis on Finance and Marketing. He has received Ph.D. from Pune University in Management and in the area of MSME. He has 30+ years experience in Corporate Finance, Project Finance, Non Banking Finance especially in Lease and Hire Purchase, Consumer Finance and Banking. His experience also extends to other areas such as General Management, Taxation, Accounts, Personnel Management and Industrial Relations. He has worked at senior positions for companies such as Bajaj Auto Finance Ltd., 20th Century Kinetic Finance Ltd., Deepak Nitrite Ltd., FDC Ltd. He is a Governing Council Member for various industrial bodies like the MSME Facilitation Council, Government of Maharashtra, State Level Committee on Standardization of Quality Systems, GOM, International Chamber of Commerce India, New Delhi. He is also a Member on the Planning & Monitoring Board of Gokhale Institute of Politics and Economics, Internal Quality Assurance Cell of Gokhale Institute and Member on the Board of Studies in Liberal Arts, Legal & Moral Science & Social Science of IndSearch. He is a member of Local Managing Committee of Vishwakarma Institute of Management. He is also a member on ICC India Task Forces on ICC Commissions and member of Central Direct Taxes Advisory Committee. He is a member on Academic Advisory Board of MIT School of Management.

Dr. Sardeshmukh is a recipient of "Top Management Consortium Excellence Award : 2014-15", "Praj Maha Intrapreneur Award 2013" and "MITCON Excellence Award 2009".

Dr. Dilip B. Boralkar, well known environmental scientist of national and international repute, obtained his Ph.D. from Mumbai University in 1979 on the subject of assessment of air pollution impacts. He started his career in 1978 as a Lecturer at Science College, Karad. He possesses four decades of experience in environment protection and is widely recognized for his eventful tenure as the Member Secretary (CEO) of Maharashtra Pollution Control Board marked with enhanced transparent functioning, efficiency in terms of pollution control and promoting common infrastructure for environmental protection. He also held important positions in Central Pollution Control Board and Maharashtra Pollution Control Board. He has been Member of several high level technical expert committees appointed by the State Government, Central Government, High Court and the Supreme Court of India. He also served as Member Secretary of Maharashtra Coastal Zone Management Authority and Invitee on the Board of Maharashtra Industrial Development Corporation while being MS of MPCB. He has been Member of the Indian Delegation (deputed by the Ministry of Environment & Forests) to the Basel Convention on

Management of Hazardous Wastes. He is Adjunct Professor and Recognized Ph.D. Guide at the Department of Environmental Sciences, S.P. Pune University. Dr. Boralkar is author of a book on “Waste Minimisation” and has several research publications to his credit. He is now retired from the service and managing Environment Protection Advisory which is a group of freelance environmental scientists and engineers providing multidisciplinary professional services.

He is recipient of “Environmental Leadership Award” from USAID and USAEP (2005) and “Paryawaran Bhushan” award from the Environmental Club of India, Pune and Regional Office of Maharashtra Pollution Control Board (2014).

Dr. (Mrs.) Nishigandha Dewoolkar, the acclaimed film and television actress, is an author of six books, of which three have been the recipients of prestigious State awards. She has done B.A. (Philosophy) Hons and holds degree of Doctorate from the University of Mumbai on research on ‘Changing Role of Women In Society - Reflections from Marathi & British Theatres (1900-1970)’. Dr. Nishigandha Dewoolkar has also done D. Lit [women empowerment] from University of Colombo.

Dr. Siddharthavinayaka Kane is Vice-Chancellor, Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur. Dr. is a Ph.D., M.Sc. and B.Sc. from Nagpur University. He is involved in teaching at post graduate level for last 31+ Years. He is also engaged in research in Applied Probability, Operations Research & Designs of Experiments.

Mr. Vivek Sawant is the Managing Director and CEO of your Company since its inception in 2001. Under his leadership, MKCL has emerged as a high-tech initiative for development and delivery of Education, Governance and Empowerment technologies, solutions and services to the masses. Soon after completing his school and college education in Nasik and Post-Graduate education in Pune, Mr. Sawant served as a teacher of Physics, Electronics and Computer Science at the Fergusson College, Pune from 1979 to 1987 and as the Deputy Director of Symbiosis Institute of Computer Studies and Research from 1987 to 1988. Later he participated in design and development of India’s first indigenous Supercomputers PARAM at C-DAC from 1988 to 2000. During his tenure at C-DAC, he developed the nationwide network of 20 Advanced Computing Training Schools (ACTS). Later, he also served as the founder Director of International Institute of Information Technology at Rajiv Gandhi Infotech Park at Hinjawadi, Pune. In order to ensure the success of citizen-centric eGovernance projects, Mr. Sawant strategically initiated IT Literacy campaign within the Government of Maharashtra from 1995 which today in the form of MKCL and MS-CIT has emerged as the largest IT Literacy movement in the world. He has served on several policy-formulation committees at State and National level including the Indian Prime Minister’s IT Task Force, National Rural Road Development Committee and National Board of Apprenticeship, State eGovernance Task Force of a few State Governments, etc. In view of his pioneering contribution in eGovernance of the PWD, he was invited to be the co-author of the Pradhan Mantri Gram Sadak Yojana under which 1.2 million (12 Lac) km nation-wide rural road network has been established. He has served on Boards of Studies and Academic Councils of several universities. He is an honorary fellow of Maharashtra Academy of Sciences.

Mr. Sawant has been felicitated by various awards for his distinguished contributions in the fields of education, high performance computing, entrepreneurship development, leadership development, innovations, etc. Some of the awards are -Dnyana Surya Award, Ninad Award, Rotary’s Young Recipient Award, Rotary’s Vocational Excellence Award, Yashokeerti Award of the Computer Society of India, Rajeev Gandhi Sanganak Sarathi Award, ETH Education Award, IT-ICON Award, Doordarshan’s Shikshan Ratna Award, VASVIK Award for R&D, Dr. Annasaheb Shinde Memorial Award, Maharashtra Corporate Excellence Award for Innovation (Maxcell Award), Neelvasant Award, Dr. Narendra Dabholkar Memorial Award, Pune’s Pride Award 2014 for Excellence in Education. He was also nominated for World Technology Network Award at San Francisco for his work of likely long-term significance in education.

10.2 Board Meetings/Board Committee Meetings

Board Meetings

During the year under Report, five meetings of Board of Directors were held. The intervening gap between any two Board meetings was within the period prescribed by the Companies Act, 2013.

The dates on which the Board Meetings were held and the attendance of the Members at the said Meetings are as under:

Name of Director	Category	Board Meeting Dates				
		26.06.2015	05.08.2015	23.09.2015	18.11.2015	03.03.2016
Dr. Anil Kakodkar	Independent Director	Attended	Attended	Attended	Attended	Attended
Dr. Anant Sardeshmukh	Independent Director	Attended	Attended	Attended	Attended	Attended
Dr. Rajaram Deshmukh	Independent Director	Attended	Leave of absence	Attended	Attended	Attended

Dr. Dilip Boralkar	Independent Director	Attended	Leave of absence	Attended	Leave of absence	Attended
Dr. Deepak Phatak	Independent Director	Attended	Leave of absence	Leave of absence	Attended	Leave of absence
Dr. Siddharthavinayaka Kane	University Representative	NA	NA	NA	NA	----
Dr. (Mrs.) Nishigandha Dewoolkar	Independent Director	Leave of absence	Leave of absence	Leave of absence	Attended	Leave of absence
Mr. Vivek Sawant	Managing Director & CEO	Leave of absence	Attended	Attended	Attended	Attended

Committees of the Board

Currently the Board has six committees: the Audit Committee, the Corporate Social Responsibility Committee, the Nomination and Remuneration Committee, Shareholders' Committee, Infrastructure Development Committee and Joint Venture Formation Committee. All the committees, consists majority of independent directors.

Name of the Committee	Composition of the Committee	Category
Audit Committee	Dr. Anant Sardeshmukh - <i>Chairman</i> Dr. Rajaram Deshmukh Dr. Dilip Boralkar Mr. Vivek Sawant	Independent Director Independent Director Independent Director Managing Director & CEO
Corporate Social Responsibility Committee	Dr. Anil Kakodkar - <i>Chairman</i> Dr. Rajaram Deshmukh Mr. Vivek Sawant	Independent Director Independent Director Managing Director & CEO
Nomination and Remuneration Committee	Dr. Rajaram Deshmukh - <i>Chairman</i> Dr. Anil Kakodkar Dr. Deepak Phatak Dr. Anant Sardeshmukh Dr. Dilip Boralkar Dr. (Mrs.) Nishigandha Dewoolkar Mr. Vivek Sawant	Independent Director Independent Director Independent Director Independent Director Independent Director Independent Director Managing Director & CEO
Shareholders' Committee	Dr. Anant Sardeshmukh - <i>Chairman</i> Dr. Rajaram Deshmukh Mr. Vivek Sawant	Independent Director Independent Director Managing Director & CEO
Infrastructure Development Committee	Dr. Anant Sardeshmukh - <i>Chairman</i> Dr. Anil Kakodkar Dr. (Mrs.) Nishigandha Dewoolkar Mr. Vivek Sawant	Independent Director Independent Director Independent Director Managing Director & CEO
Joint Venture Formation Committee	Dr. Anil Kakodkar - <i>Chairman</i> Dr. Anant Sardeshmukh Dr. (Mrs.) Nishigandha Dewoolkar Mr. Vivek Sawant	Independent Director Independent Director Independent Director Managing Director & CEO

10.3 Policy on Directors' appointment and remuneration

The existing composition of the Board has been specified in Article 35 of the Articles of association of the Company, which has an appropriate mix of Executive (1), Government Nominees (3), University Representatives (2) and Independent Directors (6) to maintain the independence of the Board, and separate its functions of governance and management.

The Policy regarding payment of expenses to eligible Directors and invitees for attending Board Meetings, Committee Meetings of the Board, General Meetings of the Company or meetings in connection with the business of the Company was

approved by the Board in its meeting held on July 05, 2014 (and revised in Meeting held on December 23, 2014). Further, the terms of appointment of independent directors have been communicated to the said directors and is available on our website <http://www.mkcl.org>.

10.4 Declaration by Independent Directors

The Company has received necessary declaration from each independent director under section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence laid down in section 149(6) of the said Act.

10.5 Board Evaluation

The evaluation of the Board as a whole was conducted based on the criteria and framework adopted by the Board. None of the independent directors are due for re-appointment.

10.6 Appointment of Director

Consequent to cessation of Prof.(Dr.) N.J. Pawar as Director, a casual vacancy was caused in the category 'Vice Chancellors as Representatives of Shareholder Universities'. Dr. Siddharthavinayaka P. Kane, Hon'ble Vice Chancellor, Rashtrasant Tukdoji Maharaj Nagpur University was appointed as a director in the said casual vacancy vide resolution no. 65BM/05.08.2015/7. His appointment became effective from November 07, 2015.

10.7 Cessation of Directors

During the year under report, no cessation of office of Director occurred.

10.8 Vacancies on Board of Directors

The positions of Government nominees on the Board of MKCL are lying vacant since September 28, 2014 and the Company has been repeatedly requesting the Department of Higher & Technical Education (H & TE), Government of Maharashtra (GoM) to inform the nominations for the said positions. However, the Company has not received any reply from H & TE, GoM to any of the said letters. The Company has informed The Registrar of Companies, Pune and the Regional Director (Western Region), Ministry of Corporate Affairs regarding vacancies on the Board of MKCL for a prolonged period.

Further, consequent to resignation by Dr. Rajan Welukar as Director, a casual vacancy was caused in the category 'Vice Chancellors as Representatives of Shareholder Universities'. Dr. Sudhir Meshram, Hon'ble Vice Chancellor, North Maharashtra University was appointed as a director in the said casual vacancy vide resolution no. 65BM/05.08.2015/6. Letter dated August 17, 2015 communicating appointment as director and requesting for his acceptance was sent to Dr. Meshram. His acceptance was received vide email dated August 21, 2015. Detail process regarding procedural formalities were informed to him vide letter dated August 27, 2015. Various follow-ups were done and reminder letters to complete the statutory requisitions for appointment as Director were sent. However, no reply or any communication was received by the Company. The Board therefore is now considering another candidature for filling of the casual vacancy caused by resignation of Dr. Rajan Welukar.

10.9 Key Managerial Personnel (KMPs)

Mr. Vivek Sawant (Managing Director & CEO), Ms. Komal Chaubal (Company Secretary & Head-Legal Affairs) and Mr. Manoj Narvekar (Chief Financial Officer) are the KMPs.

11.0 CORPORATE SOCIAL RESPONSIBILITY POLICY AND IMPLEMENTATIONS

During the year 2015-16, the Corporate Social Responsibility (CSR) Committee recommended to the Board the 'Corporate Social Responsibility' Policy. The said Policy was approved by the Board in its meeting held on June 26, 2015.

The detail Report of the same is enclosed as Annexure-1.

12.0 DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY

The Board of Directors, in its meeting held on June 26, 2015 had approved and adopted a risk management policy to identify, evaluate, mitigate and monitor risk factors affecting the business of the Company. The Company on continual basis accordingly identifies risk and takes necessary steps to mitigate the same.

13.0 EMPLOYEE WELFARE INITIATIVES

In view of the long term interest of the Company, the Board earmarked Rs.120 crores of existing Fixed Deposits with Banks (FDs) and investments in Long Term Tax Free Bonds (LTFBs) as “Employees’ Salary Protection Fund”, the interest earned on which shall be utilized for the payment of salaries and benefits of employees. As surplus funds become available, after making FDs and/or investments in LTFBs, to the extent possible, shall be further earmarked as “Employees’ Salary Protection Fund” and it is intended that the position of this Fund be brought to such a level that the Company is able to pay all the ‘Employee salary’ and ‘Employee benefits’ out of interest earned on the said Fund.

14.0 AUDITORS

14.1 Statutory Auditors

At the Annual General Meeting held on September 26, 2014, M/s P.V.Page & Co., Chartered Accountants, were appointed as Statutory Auditors of the Company to hold office till the conclusion of the 18th Annual General Meeting to be held in the calendar year 2019. Pursuant to the provisions of Section 139(1) and other applicable provisions, if any, of the Companies Act, 2013, and the rules framed thereunder, as amended from time to time, the appointment of the Auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s P. V. Page & Co., Chartered Accountants, as Statutory Auditors of the Company, is placed for ratification by the Shareholders. In this regard, the Company has received a Certificate from the Auditors to the effect that if they are re-appointed, it would be in accordance with the provisions of section 141 of the Companies Act, 2013.

14.2 Internal Audit systems

As per the provisions of Section 138(1) of the Companies Act, 2013 and Rules thereunder, appointment of Internal Auditor is not mandatory for the Company. However, to follow good accounting practices, ensuring statutory compliances and for good governance and effectiveness, Ms. Kalyani Shastri has been appointed as Internal Auditor of the Company w.e.f. July 07, 2014. Ms. Shastri has been working with the Company since October 2005. She has hands on experience of accounting and auditing function.

14.3 Secretarial Audit

Secretarial Audit was not mandatory for your Company for FY 2015-16. However, as the primary objective of Secretarial Audit is to safeguard the interest of the Directors, key managerial personnel (KMP), employees, shareholders, creditors and customers, the Board of Directors appointed M/s. Shailesh Indapurkar & Associates, Company Secretaries for conducting voluntary Secretarial Audit for 2015-16.

14.4 Cost Audit

The Ministry of Corporate Affairs (MCA), vide Notification dated 31st December 2014 issued the Companies (Cost Records and Audit) Amendment Rules, 2014 [CRAR, 2014]. As per the said Rules, every Company, including foreign companies defined in clause (42) of Section 2 of the Companies Act, 2013, having an overall turnover from all its products and services of Rupees Thirty Five Crore or more during the immediately preceding financial year for products or services specified in Rule 3 of CRAR shall include cost records for such products or services in their books of account.

Further, as per Rule 4(2) of CRAR, 2014 in case of non-regulatory sector, every Company should get its cost records audited in accordance with these rules if the overall annual turnover of the Company from all its products and services during the immediately preceding financial year is Rupees One Hundred crore or more and the aggregate turnover of the individual product/s or service/s for which cost records are required to be maintained under Rule 3 is Rupees Thirty Five crore or more.

Your Company is involved in IT enabled services in areas of education, governance and empowerment. Further, in the following entry of CRAR, Education services are covered, but the meaning or definition of ‘Education services’ has not been specified in the Rules.

(B) Non-regulated Sectors

Sr. No.	Industry/ Sector/ Product/ Service	CETA Heading (wherever applicable)
23	Education services, other than such similar services falling under philanthropy or as part of social spend which do not form part of any business.	Not applicable

It was not clear whether the CRAR, 2014 was applicable to the Educational Courses offered by the Company as a product. After discussing with some experts, it was felt that, to ensure sufficient compliance, from the Financial Year 2015-16, the Company should conduct Cost Audit under CRAR.

The Board appointed M/s. S.R.Bhargave & Co., Cost Accountants (Firm Registration No. 000218) to conduct audit of cost records made and maintained by the Company pertaining to Educational services for financial year commencing on April 01, 2015 and ending on March 31, 2016.

15.0 SIGNIFICANT AND MATERIAL ORDERS, OBSERVATIONS

Significant And Material Orders - There are no significant and material orders by the Courts or Tribunals impacting the going concern status and Company's operations in future.

Audit Observation- There are no adverse audit observations either by the Statutory Auditor or by the Cost Auditor.

16.0 ANNEXURES

16.1 CSR Reporting

In accordance to Section 135 and Companies (Corporate Social Responsibility Policy) Rules, 2014 and other applicable provisions, CSR Report submitted by the CSR Committee of MKCL is appended as *Annexure I* to the Board's Report.

16.2 Salient features of the financial statement of subsidiaries/associate companies/joint ventures

In accordance to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014, Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures in Form AOC-I is appended as *Annexure II* to the Board's Report.

16.3 Particulars of contracts/arrangements with related parties

In accordance to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014, Form AOC-2 for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto is appended as *Annexure III* to the Board's Report.

All transactions of the Company with its Associate Companies were "arm's length transactions" and in the ordinary course of business. As such, all the transactions are exempted from the purview of section 188 of the Companies Act, 2013.

16.4 Extract Of Annual Return

In accordance with Section 134(3) (a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as *Annexure IV* to the Board's Report.

17.0 ACKNOWLEDGEMENTS

Your Directors sincerely acknowledge the continued support and co-operation received from the Government, Suppliers, Customers, Bankers, Consultants, Network Partners and Business Partners of the Company. The Directors express their deep sense of appreciation for the total commitment, dedication and hard work put in by every employee of the Company. Lastly, your Directors are grateful for the confidence and faith shown by the members of the Company in them.

For and on behalf of the Board of Directors
Maharashtra Knowledge Corporation Limited

Vivek Sawant
Managing Director & CEO
DIN: 00002285

Dr. Anant Sardeshmukh
Director
DIN: 00383994

Place: Pune, INDIA.
Date: August 05, 2016

Annexure-I

CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT for Financial Year 2015-2016

1. Brief outline of Company's CSR policy

Maharashtra Knowledge Corporation Limited (MKCL) had as per its CSR Policy for FY 2015-2016 decided to undertake the following activities as part of CSR through its 100% subsidiary not for profit Company, MKCL Knowledge Foundation (MKCLKF), as its Implementation Agency-

CSR project I - Custom Hiring Centers

The project aimed at setting up Custom Hiring Centers ('CHC') to help small and marginal farmers to make use of such modern machinery and implements on their farms at affordable charges. Such Center can keep all types of machines and implements / appliances required in the village at one place and also look after their repairs and maintenance by engaging a trained mechanic. The CHC can also engage a driver from the village on daily wages whenever required.

CSR project II - NIRMAN AND KUMAR NIRMAN

NIRMAN is a project jointly run by eminent Social Scientist Dr. Abhay Bang and Dr. Rani Bang of Society for Education, Action and Research in Community Health ('SEARCH') with the Company which is designed as a youth initiative to identify, nurture and organize the young change makers to solve various societal challenges. It is an educational process to train the youth to take up crucial issues and problems in the society. NIRMAN provides guidance, expertise and environment to inculcate self-learning and encourages youth for social action. NIRMAN aims to create a large group of young professionals having the desire and the capability to understand and solve the burning social problems.

The 'KUMAR NIRMAN' project aims to sensitize large number of children to the various problems and challenges in society, and let them experience the joy of discovering / inventing solutions and act towards solving social problems.

CSR project III- OTHERS

The CSR committee decided to periodically review the CSR Projects, and may consider to undertake any new projects covered under Schedule VII of the Companies Act, 2013 and the Rules made thereunder from time to time.

CSR project IV- Contribution to the Prime Minister's National Relief Fund

The CSR Committee shall review the amounts spent on CSR activities, and in case any amounts are lying unutilized, the Company shall contribute to the Prime Minister's National Relief Fund to the extent of the amount falling short of proposed CSR expenditure of Rs.96,32,483/-.

2. The Composition of CSR Committee

The composition of CSR Committee comprises of two Independent Directors and one Managing Director as follows-

Dr. Anil Kakodkar	-Chairman	Independent Director
Dr. Rajaram Deshmukh		Independent Director
Mr. Vivek Sawant		Managing Director & CEO

3. Average adjusted Net profits of the Company for last three financial years

Year	Net Profits (Rs)
2012-13	52,34,97,399/-
2013-14	52,01,49,606/-
2014-15	40,12,25,508/-
TOTAL	144,48,72,513/-

Average Net Profit:

Total Profit during three preceding financial years/ 3 =Rs.48,16,24,171/-

4. Prescribed CSR expenditure (2% of Average Net profits of last three financial years)

2% of Rs.48,16,24,171/- = Rs.96,32,483/-

5. Details of CSR spent during the financial year.

(a) Total amount to be spent for the financial year; - Rs.96,32,483/-

(b) Amount unspent, if any; - Nil

(c) Manner in which the amount spent during the financial year is detailed below.

Sr. No.	CSR project or activity identified	Sector in which project is identified	Projects or Programs 1) Local Area or other 2) Specify the State and District where project or programs were undertaken	Amount outlay (Budget project or programwise)	Amount spent on projects or programs Sub heads: 1) Direct Expenditure on project programs 2) Overheads	Cumulative expenditure upto the reporting period	Amount spent directly or through implementing agency
1.	Custom Hiring Centers	<ul style="list-style-type: none"> Eradicating hunger, poverty and malnutrition Promoting employment enhancing vocational skills; Ensuring environmental sustainability, ecological balance, conservation of natural resources and maintaining quality of soil, air and water; Rural development projects. 	1. Village - Nalavane Taluka - Junnar 2. Village - Alandewadi Taluka- Bhor (Could not be undertaken as appropriate beneficiary could not be identified)	1. Rs.25,00,000/- 2. Rs.25,00,000/-	1. 1) Direct - Rs.22,05,140/- 2) Overheads - Rs.1,69,425/- 2. Nil	1. Rs.23,74,565/- 2. Nil	Direct
2.	(a) NIRMAN	Promoting education, including special education	The State of Maharashtra	Rs. 15,00,000/-	1) Direct -Rs.15,00,000/- 2) Overheads - Rs.53,700/-	Rs.15,53,700/-	Through Implementation Agency
	(b) KUMAR NIRMAN	Promoting education, including special education	The State of Maharashtra	Rs. 15,00,000/-	1) Direct - Rs.4,56,967/- 2) Overheads - Rs.47,251/-	Rs.5,04,218/-	Through Implementation Agency
3	Contribution to the Prime Minister's National Relief Fund	NA	NA	NA	1) Direct- Rs.52,00,000/-	Rs.52,00,000/-	Direct
Total						Rs.96,32,483/-	

The CSR Committee ensures that the implementation and monitoring of CSR policy is in compliance with the CSR objectives and Policy of the Company

Vivek Sawant
Managing Director &CEO
DIN:0002285

Dr. Anil Kakodkar
Chairman-CSR Committee
DIN: 03057596

Dr. R.B. Deshmukh
Committee Member
DIN:01690786

ANNEXURE II

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/
joint ventures**

Part "A": Subsidiaries

1. Sl. No.	:	A. For Foreign Subsidiary
2. Name of the subsidiary	:	MKCL INTERNATIONAL FZE Hamriyah Free Zone, Sharjah, United Arab Emirates U.A.E
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	:	Same as holding company.
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	:	1 AED: INR 18.0032
5. Share capital	:	Rs.27,00,490/-
6. Reserves & surplus	:	Rs.15,23,83,621/-
7. Total assets	:	Rs.18,03,60,712/-
8. Total Liabilities	:	Rs.18,03,60,712/-
9. Investments	:	Rs.1,22,22,470/-
10. Turnover	:	Rs.5,54,47,726/-
11. Profit before taxation	:	Rs. 3,00,72,861/-
12. Provision for taxation	:	NIL
13. Profit after taxation	:	Rs.3,00,72,861/-
14. Proposed Dividend	:	NIL
15. % of shareholding	:	100%

1. Sl. No.	:	B. For Indian Subsidiary
2. Name of the subsidiary	:	MKCL Knowledge Foundation ICC Trade Towers, "B" wing , 5th Floor, Unit No. 501 to 504, Senapati Bapat Road, Shivajinagar, Pune-411016
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period:		Same as the Holding Company
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.		N.A.
5. Share capital	:	Rs.2,00,00,000/-
6. Reserves & surplus	:	Rs.21,62,924/-
7. Total assets	:	Rs. 3,18,18,249/-
8. Total Liabilities	:	Rs.3,18,18,249/-
9. Investments	:	NIL/-
10. Turnover: Other Income	:	- Rs.1,79,00,056/-
11. Profit/(Loss) before taxation	:	Rs. 22,26,436/-
12. Provision for taxation	:	NIL
13. Profit/(Loss) after taxation	:	Rs.22,26,436/-
14. Proposed Dividend	:	N.A.
15. % of shareholding	:	100%

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	Rajasthan Knowledge Corporation Limited	Odisha Knowledge Corporation Limited	Haryana Knowledge Corporation Limited
1. Latest audited Balance Sheet Date	31 st March, 2016	31 st March, 2016	31 st March, 2016
2. Shares of Associate/Joint Ventures held by the company on the year end			
No.	6,00,000 shares @Rs.10 each	6,00,000 shares @Rs.10 each	6,00,000 shares @Rs.10 each
Amount of Investment in Associates/ Joint Venture	Rs.60,00,000	Rs.60,00,000	Rs.60,00,000
Extend of Holding %	30%	50%	30%
3. Description of how there is significant influence	As per AS-23 guidelines	As per AS-23 guidelines	As per AS-23 guidelines
4. Reason why the associate/joint venture is not consolidated	Consolidation is done	Consolidation is done	Consolidation is done
5.Networth attributable to Shareholding as per latest audited Balance Sheet	Rs.65,14,08,044/-	Rs.4,97,08,784/-	Rs2,52,32,910/-
6. Profit /(Loss) for the year	NPBT- Rs.32,18,96,086/- NPAT- Rs.20,91,67,061/-	NPBT- Rs.2,57,44,252/- NPAT- Rs.1,68,99,639/-	NPBT Rs.1,75,08,850/- NPAT Rs.1,40,95,634/-
i. Considered in Consolidation	Rs.18,94,22,413/-	Rs.1,76,51,560/-	Rs.14,85,416/-
i. Not Considered in Consolidation	N.A.	N.A.	N.A.

ANNEXURE III

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

- (a) Name(s) of the related party and nature of relationship : N.A.
- (b) Nature of contracts/arrangements/transactions : N.A.
- (c) Duration of the contracts / arrangements/transactions : N.A.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any : N.A.
- (e) Justification for entering into such contracts or arrangements or transactions : N.A.
- (f) date(s) of approval by the Board : N.A.
- (g) Amount paid as advances, if any : N.A.
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: - N.A.

2. Details of material contracts or arrangement or transactions at arm's length basis:-

- (a) Name(s) of the related party and nature of relationship: **As per below table**
- (b) Nature of contracts/arrangements/transactions: **Transactions in ordinary course of Business - As per below table.**
- (c) Duration of the contracts / arrangements/transactions: **As per below table**
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **As per below table**
- (e) Date(s) of approval by the Board, if any: **As per below table**
- (f) Amount paid as advances, if any: **NIL**

(a) Name(s) of the related party and nature of relationship:

1. Rajasthan Knowledge Corporation Limited (Associate Company)

Nature of Income	Total Income (In Lacs)
For other service charges to Rajasthan Knowledge Corporation Limited	Rs. 1266.03 Lacs
Dividend received from Rajasthan Knowledge Corporation Limited	Rs. 18 Lacs

2. Haryana Knowledge Corporation Limited (Associate Company)

Projects	Nature of Contract	Duration of Contract	Value	Date of Board Approval
D.Ed Admissions	Recruitment	upto March 2015	Rs.28/- per application inclusive of applicable taxes for First 3 Round and for 4th and onward Round Rs.20 per application inclusive of applicable taxes	August 27, 2014
ITI Admissions	Recruitment	upto March 2016	Rs.25/- (Rupees Twenty Five only) per applicant plus applicable taxes for the first four rounds. In case, the project gets extended for further rounds, then whatever revenue is generated, it shall be divided in percentage i.e. 55% to MKCL and 45% to HKCL.	November 18, 2015
Digital University software framework	Admission	upto March 2016	Rs.50/-per student per academic year plus applicable taxes	August 27, 2014

Digital University software framework	Admission	upto March 2016	Rs.25/-per student for online application plus applicable taxes	June 26, 2015
DMER Admissions	Admission	upto March 2016	Rs.25/- (Rupees Twenty Five only) per applicant plus applicable taxes for the first four rounds. In case, the project gets extended for further rounds, then whatever revenue is generated, it shall be divided in percentage i.e. 55% to MKCL and 45% to HKCL.	November 18, 2015
Haryana Staff Selection Commission (HSSC)	Recruitment	upto March 2016	Rs.19.25 /-(Rupees Nineteen and Paise Twenty Five only) per applicant plus applicable taxes.	November 18, 2015

Nature of Income	Total Income (In Lacs)
Sale of books to Haryana Knowledge Corporation Limited	Rs. 10 Lacs
For other service charges to Haryana Knowledge Corporation Limited	Rs. 418.85 Lacs

3. Odisha Knowledge Corporation Limited (Associate Company)

Project	Nature of Contract	Duration of Contract	Value	Date of board Approval
State Council for Education Research and Training, Odisha ("SCERT")	Recruitment	upto March 2016	Rs.60/- per confirmed applicant plus applicable taxes	August 27, 2014
GPS-Mapping	Mapping Software	upto March 2016	Rs.10/- per monitoring Report plus applicable taxes and Annual fees: (Maintenance and Server infrastructure charges) Rs.100/- (Rupees One Hundred only) per School for 4000 schools, plus applicable taxes.	November 18, 2015
National Service Scheme in all the colleges affiliated to Universities in Odisha.	Web application	upto March 2016	MKCL shall charge fees of Rs.9,00,000/- (Rupees Nine Lacs only) plus applicable taxes.	March 27, 2015
MKCL's Secured E-Tendering system	Web application	upto March 2016	Rs.17,500/- and Rs.10,000/- if Exceed 15 days	September 23, 2015

Nature of Income	Total Income (In Lacs)
Sale of books to Odisha Knowledge Corporation Limited	Rs. 50.00 Lacs
For other service charges to Odisha Knowledge Corporation Limited	Rs. 451.49 Lacs

4. MKCL Knowledge Foundation (100% Local Subsidiary)

Nature of Contract	Duration of Contract	Amount charged	Date of Board approval
Business Center Facilities	5 years up to 31 st July, 2020	Rs.25.87 Lacs	August 5, 2015
Corporate Social Responsibility (CSR) payments given to MKCL Knowledge Foundation as implementing agency.	upto March 2016	Rs. 22.50 Lacs	August 5, 2015

5. MKCL International FZE (100% Foreign Subsidiary)

Nature of Contract	Duration of Contract	Value	Date of Board Approval
Royalty	----	Royalty Received from MKCL FZE Rs. 245.85 Lacs	March 27, 2015

ANNEXURE IV

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March 2016**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN : **U80302PN2001 PLC135348**
 ii) Registration Date : **August 20, 2001**
 iii) Name of the Company : **Maharashtra Knowledge Corporation Limited**
 iv) Category / Sub-Category of the Company : **Indian Non-Government Company**
 v) Address of the Registered office and contact details : **ICC Trade Towers, 'A' Wing, 5th Floor, Senapati
Bapat Road, Shivaji Nagar, Pune 411 016,
Maharashtra, INDIA.**
 vi) Whether listed company Yes / No : **NO**
 vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: **N.A.**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Educational Courses, Skill development Courses viz. MS-CIT (Maharashtra State Certificate in Information Technology), KLiC (Knowledge Lit Careers) certificate Courses.	8522	65.71%
2	Services through Admission, Examination and Recruitment Software Frameworks viz. MKCL's Online Application Solutions and Integrated Services (MKCL's OASIS), Digital University (DU), eGovernance and Educational eGovernance services and others.	6311	33.78%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	MKCL International FZE Hamriyah Free Zone Sharjah, United Arab Emirates. PO Box.42283	Registration No.1324 and Commercial License no.2066	Foreign Subsidiary	100%	Sec. 2 (87)

2	MKCL Knowledge Foundation ICC Trade Towers, B wing 5 th Floor, Senapati Bapat Road, Shivajinagar- Pune -411016 , INDIA.	U74900PN2014NPL152468	Subsidiary	100%	Sec. 2 (87)
3	Rajasthan Knowledge Corporation Limited 7A, Jhalana Doongri Jaipur, Rajasthan 302004, India.	U80302RJ2008PLC026433	Associate	30%	Sec. 2 (6)
4	Odisha Knowledge Corporation Limited HIG-4, 3rd Floor, Jayadev Vihar, Infront of Pal Heights, Bhubaneswar, Odisha - 751013	U72200OR2011PLC014185	Associate	50%	Sec. 2 (6)
5	Haryana Knowledge Corporation Limited 4 th Floor HSIIDC IT Park Plot no. 1, Sector 22 Panchkula, Haryana 134109, INDIA.	U80904HR2013PLC050331	Associate	30%	Sec. 2 (6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt.(s)	Nil	3000000	3000000	37.13	Nil	3000000	3000000	37.13	Nil
d) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Banks /FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any other.....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total (A) (1)	Nil	3000000	3000000	37.13	Nil	3000000	3000000	37.13	Nil
(2) Foreign									
a) NRI - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total (A) (2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	Nil	3000000	3000000	37.13	Nil	3000000	3000000	37.13	Nil

B. Public Shareholdings									
1. Institutions									
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks /FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt.(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Educational Institutions	Nil	20925	20925	0.26	Nil	20925	20925	0.26	Nil
Sub-Total (B) (1)	Nil	20925	20925	0.26	Nil	20925	20925	0.26	Nil
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	Nil	5000	5000	0.06	Nil	44000	44000	0.54	880.00
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	Nil	517840	517840	6.41	Nil	517340	517340	6.40	(0.09)
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	Nil	1209955	1209955	14.97	Nil	1171455	1171455	14.50	- 3.18
c) Others (specify)									
Universities	Nil	2740000	2740000	33.91	Nil	2740000	2740000	33.91	Nil
Autonomous Bodies	Nil	185000	185000	2.29	Nil	185000	185000	2.29	Nil
Regd. Trusts, Societies	Nil	401475	401475	4.97	Nil	401475	401475	4.97	Nil
Sub-Total (B) (2)	Nil	5059270	5059270	62.61	Nil	5059270	5059270	62.61	Nil
Total Public Shareholding (B) = (B) (1) + (B) (2)	Nil	5080195	5080195	62.87	Nil	5080195	5080195	62.87	Nil
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	Nil	8080195	8080195	100.00	Nil	8080195	8080195	100.00	Nil

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	No. of shares held at the end of the year			No. of shares held at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the Company	% of shares Pledged/encumbered to total shares	No. of shares	% of total shares of the Company	% of shares Pledged/encumbered to total shares	
1	Government of Maharashtra, Higher & Technical Education Department	3000000	37.13	Nil	3000000	37.13	Nil	Nil
	Total	3000000	37.13	Nil	3000000	37.13	Nil	Nil

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company	
1.	Government of Maharashtra, Higher & Technical Education Department	At the beginning of the year	3000000	37.13	3000000	37.13
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil	Nil
	At the end of the year	3000000	37.13	3000000	37.13	

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company	
1.	Dr. Babasaheb Ambedkar Marathwada University, Aurangabad	At the beginning of the year	370000	4.58	370000	4.58

	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	370000	4.58	370000	4.58
2. Savitribai Phule Pune University	At the beginning of the year	370000	4.58	370000	4.58
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	370000	4.58	370000	4.58
3. University of Mumbai	At the beginning of the year	370000	4.58	370000	4.58
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	370000	4.58	370000	4.58
4. Sant Gadgebaba Amravati University, Amravati	At the beginning of the year	370000	4.58	370000	4.58
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	370000	4.58	370000	4.58
5. Rashtrasant Tukadoji Maharaj Nagpur University	At the beginning of the year	370000	4.58	370000	4.58
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	370000	4.58	370000	4.58
6. Shivaji University, Kolhapur	At the beginning of the year	310000	3.84	310000	3.84
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	310000	3.84	310000	3.84

7. Yahswantrao Chavan Maharashtra Open University	At the beginning of the year	185000	2.29	185000	2.29
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	185000	2.29	185000	2.29
8. Swami Ramanand Teerth Marathwada University, Nanded	At the beginning of the year	185000	2.29	185000	2.29
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	185000	2.29	185000	2.29
9. North Maharashtra University, Jalgaon	At the beginning of the year	185000	2.29	185000	2.29
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	185000	2.29	185000	2.29
10. Secretary, Maharashtra State Board of Technical Education	At the beginning of the year	185000	2.29	185000	2.29
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	185000	2.29	185000	2.29
11. Mehmooda Shikshan & Mahila Gramin Bahuuddeshiya Sanstha	At the beginning of the year	185000	2.29	185000	2.29
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	185000	2.29	185000	2.29

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1. Vivek Sawant, Managing Director & CEO	At the beginning of the year	31000	0.38	31000	0.38
	Date-wise increase/ decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	31000	0.38	31000	0.38
2. Komal Chaubal, Company Secretary & Head - Legal Affairs	At the beginning of the year	6500	0.08	6500	0.08
	Date-wise increase/ decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	6500	0.08	6500	0.08

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i + ii+ iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
i) Addition	NIL	NIL	NIL	NIL
ii) Reduction				
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i +ii + iii)	NIL	NIL	NIL	NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Vivek Sawant Managing Director & CEO	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	41,16,560/-	41,16,560/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	9,20,030/-	9,20,030/-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - Others, specify...	-	-
5.	Others, please specify -Employers Contribution to Provident Fund	2,65,670/-	2,65,670/-
	Total (A)	Rs.53,02,260/-	Rs.53,02,260/-
	Ceiling as per the Act	Rs.2,35,43,595/-	Rs.2,35,43,595/-

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors (in Rs.)						Total Amount (in Rs.)
		Dr. Anil Kakodkar	Dr. Deepak Phatak	Dr. R. B. Deshmukh	Dr. Anant Sardeshmukh	Dr. Dilip Boralkar	Dr. (Mrs.) Nishigandha Dewoolkar	
1	Independent Directors							
	Fee for attending board / committee meetings	50,000/-	10,000/-	55000/-	60,000/-	35,000/-	15000/-	2,25,000/-
	Commission	---	---	---	---	---	---	---
	Others, please specify - - Conveyance	---	---	4,120/-	5,150/-	25,120/-	---	34,390/-
	Total (1)	50,000/-	10,000/-	59,120/-	65,150/-	60,120/-	15,000/-	2,59,390/-

2	Other Non-Executive Directors	Dr. S. V. Kane	---	---	---	---	---	---
	Fee for attending board / committee meetings	---	---	---	---	---	---	---
	Commission	---	---	---	---	---	---	---
	Others, please specify	---	---	---	---	---	---	---
Total (2)		---	---	---	---	---	---	---
Total (B)=(1+2)		50,000/-	10,000/-	59,120/-	65,150/-	60,120/-	15,000/-	2,59,390/-
Total Managerial Remuneration		---	---	---	---	---	---	---
Overall Ceiling as per the Act		---	---	---	---	---	---	---

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Komal Chaubal Company Secretary & Head-Legal Affairs	Manoj Narvekar Chief Financial Officer	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs.20,35,480/-	Rs.23,19,346/-	Rs.43,54,826/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Rs.12,429/-	Rs.18,072/-	Rs.30,501/-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others, please specify Employers Contribution to PF	Rs.1,22,987/-	Rs.1,34,437/-	Rs.2,57,424/-
Total		Rs.21,70,896/-	Rs.24,71,855/-	Rs.46,42,751/-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of The Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---
B. DIRECTORS					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---
C. OTHER OFFICERS IN DEFAULT					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---

For and on behalf of the Board of Directors
Maharashtra Knowledge Corporation Limited

Vivek Sawant
Managing Director & CEO
DIN: 00002285

Dr. Anant Sardeshmukh
Director
DIN: 00383994

Place: Pune, INDIA.
Date: August 05, 2016

Independent Auditor's Report

To the Members of
Maharashtra Knowledge Corporation Limited

Report on the Financial Statements

We have audited the accompanying financial statements of *Maharashtra Knowledge Corporation Limited* which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the (Standalone) financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its Profit/Loss and its Cash Flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:
- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
 - g. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For and on behalf of
P. V. Page & Co
Chartered Accountants
Firm’s registration number:107243W

Prakash Page
Partner
Membership number:030560

Place: Mumbai, India
Date: August 05, 2016

“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of immovable properties are held in the name of the company.
2. (a) The management has conducted the physical verification of inventory at reasonable intervals.

(b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
6. As informed to us, the maintenance of Cost Records has been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company and the same have been maintained properly by the company.
7. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.

(b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
11. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of
P. V. Page & Co
Chartered Accountants
Firm's registration number:107243W

Prakash Page
Partner
Membership number:030560

Place: Mumbai, India
Date: August 05, 2016

“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of Maharashtra Knowledge Corporation Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Maharashtra Knowledge Corporation Limited (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are

subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

For and on behalf of
P. V. Page & Co
Chartered Accountants
Firm’s registration number:107243W

Prakash Page
Partner
Membership number:030560

Place: Mumbai, India
Date: August 05, 2016

BALANCE SHEET AS AT 31ST MARCH, 2016

(In Rupees Lacs)

Particulars	Note No.	Figures as at 31 st March, 2016	Figures as at 31 st March, 2015
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2.1	808.02	808.02
(b) Reserves and surplus	2.2	21,454.00	18,526.07
(c) Money received against share warrants		-	-
2 Share application money pending allotment		-	-
3 Non-current liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)	2.3	49.83	63.55
(c) Other Long-term liabilities	2.4	494.46	575.90
(d) Long-term provisions	2.5	431.18	300.58
4 Current liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables	2.6	2,862.44	3,537.93
(c) Other current liabilities	2.7	960.38	1,019.85
(d) Short-term provisions	2.8	10,823.13	9,027.74
TOTAL		37,883.44	33,859.64
II. ASSETS			
1 Non-current assets			
(a) Fixed assets	2.9		
(i) Tangible assets		3,511.95	3,732.28
(ii) Intangible assets		50.52	75.71
(iii) Capital work-in-progress		-	6.15
(b) Non-current investments	2.10	6,847.96	398.81
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	2.11	10,984.12	9,301.60
2 Current assets			
(a) Current investments		-	-
(b) Inventories	2.12	545.12	545.57
(c) Trade receivables	2.13	2,616.53	2,135.30
(d) Cash and cash equivalents	2.14	11,793.81	16,354.98
(e) Short-term loans and advances		-	-
(f) Other current assets	2.15	1,533.43	1,309.24
TOTAL		37,883.44	33,859.64

Significant Accounting Policies

The accompanying notes form an integral part of the Financial Statements.

As per our report attached

For and on behalf of the Board
Maharashtra Knowledge Corporation Ltd.

For P.V. Page & Co.
Chartered Accountants

Anant Sardeshmukh
Director
DIN : 00383994

Vivek Sawant
Managing Director & CEO
DIN : 00002285

Prakash V. Page
Partner

Manoj Narvekar
Chief Financial Officer
M.NO: ACA048254

Komal Chaulal
Company Secretary & Head-Legal Affairs
FCS: 5186

Place: Mumbai, INDIA
Date: August 05, 2016

Place: Pune, INDIA
Date: August 05, 2016

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

(In Rupees Lacs)

Particulars	Note No.	Figures as at 31 st March, 2016	Figures as at 31 st March, 2015
I. Revenue from operations	2.16	13,810.48	13,808.36
II. Other income	2.17	2,384.05	2,116.30
III. Total Revenue (I + II)		16,194.53	15,924.66
IV. Expenses			
Expenses on courses & programs	2.18	6,684.61	7,295.54
Purchases of Stock-in-Trade		676.38	1,421.40
Changes in inventories of finished goods work-in-progress and Stock-in-Trade		0.44	(532.38)
Employee benefits expense	2.19	2,668.52	2,202.82
Depreciation and amortization expense	2.9	303.94	247.25
Other expenses	2.20	1,145.63	1,126.97
Total expenses		11,479.52	11,761.60
V. Profit before exceptional and extraordinary items and tax (III-IV)		4,715.01	4,163.06
VI. Exceptional items	2.30	6.29	55.98
VII. Profit before extraordinary items and tax (V - VI)		4,708.72	4,107.08
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII- VIII)		4,708.72	4,107.08
X Tax expense:			
(1) Current tax		1,600.00	1,335.00
(2) Deferred tax		(13.72)	(24.52)
XI Profit (Loss) for the period from continuing operations (IX-X)		3,122.44	2,796.60
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV Profit (Loss) for the period (XI + XIV)		3,122.44	2,796.60
XVI Earnings per equity share:			
(1) Basic	2.21	38.64	34.61
(2) Diluted	2.21	38.64	34.61

Significant Accounting Policies

The accompanying notes form an integral part of the Financial Statements.

As per our report attached

For and on behalf of the Board
Maharashtra Knowledge Corporation Ltd.

For P.V. Page & Co.
Chartered Accountants

Anant Sardeshmukh
Director
DIN : 00383994

Vivek Sawant
Managing Director & CEO
DIN : 00002285

Prakash V. Page
Partner

Manoj Narvekar
Chief Financial Officer
M.NO: ACA048254

Komal Chaulal
Company Secretary & Head-Legal Affairs
FCS: 5186

Place: Mumbai, INDIA
Date: August 05, 2016

Place: Pune, INDIA
Date: August 05, 2016

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2016
(AS PER SCHEDULE III TO THE COMPANIES ACT, 2013)**

(In Rupees Lacs)

Particulars	Figures as at 31 st March, 2016	Figures as at 31 st March, 2015
A. Cash flows from operating activities		
Net profit before tax	4,708.72	4,107.08
Adjustments for:		
Depreciation	303.94	247.25
Interest income	(1,268.61)	(1,076.51)
Dividend & Other income	(300.61)	(375.31)
Operating profit before working capital changes	3,443.44	2,902.51
Adjustments for:		
Sundry debtors and other receivables	(702.14)	201.95
Inventories	0.44	(532.38)
Current Liabilities and Provision for expenses	(490.98)	441.40
Cash generated from operations	2,250.77	3,013.49
Income taxes paid (net of refunds, if any)	(1,718.13)	(1,495.70)
Net cash from operating activities	532.63	1,517.79
B. Cash flows from investing activities		
Purchase of fixed assets	(52.27)	(349.95)
Investments in MKCL Knowledge Foundation	-	(200.00)
Investments	(6,449.15)	-
Interest income	1,268.61	1,076.51
Dividend & Other income	300.61	375.31
Net cash used for investing activities	(4,932.20)	901.87
C. Cash flows from financing activities		
Dividends paid	(161.60)	(202.00)
Net cash from financing activities	(161.60)	(202.00)
Net increase in cash and cash equivalents (A + B + C)	(4,561.17)	2,217.66
Cash and cash equivalents at beginning of period	16,354.98	14,137.32
Cash and cash equivalents at end of period	11,793.81	16,354.98

As per our report attached

For P.V. Page & Co.
Chartered Accountants

Prakash V. Page
Partner

Place: Mumbai, INDIA
Date: August 05, 2016

Anant Sardeshmukh
Director
DIN : 00383994

Manoj Narvekar
Chief Financial Officer
M.NO: ACA048254

Place: Pune, INDIA
Date: August 05, 2016

For and on behalf of the Board
Maharashtra Knowledge Corporation Ltd.

Vivek Sawant
Managing Director & CEO
DIN : 00002285

Komal Chaubal
Company Secretary & Head-Legal Affairs
FCS: 5186

NOTES ON ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

I. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

The accompanying financial statements of the Company are prepared in accordance with the Generally Accepted Accounting Principles (GAAP) applicable in India, under historical cost convention and on the accrual basis. The financial statements are presented in Indian rupees rounded off to the nearest rupees in lacs.

GAAP comprises mandatory accounting standards issued by the Institute of Chartered Accountants of India (“ICAI”) and the provisions of the Companies Act, 2013.

II. USE OF ESTIMATES

The preparation of financial statement in conformity with GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of financial statement, and the reported amounts of revenue and expenses during the reported year. Actual results could differ from those estimates which are recognized in the period in which the results are known/ materialized.

III. REVENUE RECOGNITION

a. Income from Programs

Knowledge Lit Skill Development Program (KLSDP)

Course Fees from the MS-CIT course primarily consist of revenue accrued based upon number of learners registered on web-based SOLAR application of the Company during the current accounting period.

Exam Fees and Re-exam Fees from the MS-CIT course are recognized on the basis of learners registered on web - based SOLAR application.

Nationwide Business Development Program (N-BDP)

Revenue from Nationwide Business Development Program (N-BDP) is recognized on learners count as confirmed on web-based SOLAR application of the company.

Network Partnerships Management Program (NP-MP)

Renewal Fees collected from centers are recognized on accrual basis and on confirmations received from web-based SOLAR application.

Digital University - Business Development Program (DU-BDP)

Revenue from Digital University Business Development Program is recognized as per the count confirmations of admissions received from the web - based Digital University application.

OASIS Business Development Program (OASIS-BDP)

Revenue from Admission/Recruitment Projects is recognized as per the count confirmations of admissions and recruitment received from the web - based OASIS application.

International Business Development Program (INT-BDP)

Income is recognized on accrual basis and 100% royalty income is booked on admission confirmation.

b. Other Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding/invested and the interest rate applicable.

Income from investments in liquid rate funds is recognized upon receipt of income from the respective fund.

IV. EXPENDITURE

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

Charges relating to non-cancelable long-term operating lease are computed on the basis of lease rentals payable as per the relevant lease agreement and recognized as expense.

V. FIXED ASSETS

Fixed assets are stated at cost less accumulated depreciation. Cost for the purpose includes cost of acquisition, installation, duties and taxes, and other incidental expenses incurred during acquisition, construction or installation of fixed assets. Computers include software purchased. Land acquired on lease for 99 years or less is treated as leasehold land.

VI. DEPRECIATION

The depreciation is charged based on the useful lives of various Tangible assets as specified under Part-C of Schedule II of The Companies Act, 2013.

For depreciation on Intangible assets the rates are applicable as per the provisions of the Accounting Standard on WDV basis.

Cost of leasehold land for 99 years or less is amortized over the remaining lease period.

VII. FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions on initial recognition in the reporting currency are accounted for at the exchange rates prevailing on the date of transaction.

Foreign exchange gain or loss, resulting on account of reinstatement of monetary items on the date of balance sheet using exchange rate as on the date of Balance Sheet is recognized as income or expense for the period.

Exchange differences arising on the company's net investment in foreign subsidiary being a non-integral foreign operation are accumulated in a Foreign Currency Translation Reserve until the disposal of such investment, at which time they are recognized as income or as expense.

VIII. EMPLOYEE BENEFITS

Employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and are recognized in the period in which the employee renders the related service.

The company contributes to a Provident Fund, which is a defined contribution plan, and is charged to Statement of Profit and Loss.

The Company provided for gratuity, a defined benefit retirement plan covering all employees. It has subscribed to the Group Gratuity Plan of Life Insurance Corporation of India. The Plan provides for a lump sum payment to employees at retirement, death, incapacitation or termination of service; of an amount based on the respective employee's last drawn salary and tenure of employment. Liability with regard to Gratuity Plan is accrued based on actuarial valuation at the Balance Sheet date, carried out by an independent actuary. Actuarial gain or loss is recognized immediately in the statement of Profit and Loss as income or expense.

Leave encashment liability is provided on the basis of leave outstanding to the credit of employees at the Balance Sheet date.

IX. DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES

Related Party disclosures have been set out in the following statement. The related parties, as defined by Accounting Standard 18 'Related Party Disclosures' issued by The Institute of Chartered Accountants of India, in respect of which the disclosures have been made, have been identified on the basis of disclosures made by the key managerial persons and taken on record by the Board.

(Rupees in Lacs)

Sr. No.	Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
1.	Investments		
	- Rajasthan Knowledge Corporation Limited	60.00	60.00
	- Odisha Knowledge Corporation Limited	60.00	60.00
	- Haryana Knowledge Corporation Limited	60.00	60.00
	- MKCL International FZE	18.81	18.81
	- MKCL Knowledge Foundation	200.00	200.00
2.	Expenses		
	- Incurred on behalf of MKCL International FZE	13.51	18.77
	- Incurred on behalf of Rajasthan Knowledge Corporation Limited (net)	0.86	1.05
	- Incurred on behalf of Odisha Knowledge Corporation Limited (net)	1.01	1.24
	- Incurred on behalf of Haryana Knowledge Corporation Limited (net)	(12.37)	(0.91)
	- Incurred on behalf of MKCL Knowledge Foundation (net)	7.09	5.56
	- Incurred on behalf of Maharashtra Knowledge Foundation (net)	(0.58)	16.71
	- Donation given to Maharashtra Knowledge Foundation	-	90.00
	- Corporate Social Responsibility (CSR) payments given to MKCL Knowledge Foundation as implementation agency	22.50	-
3.	Income		
	- Sale of books to Rajasthan Knowledge Corporation Limited	0.00	210.00
	- For other service charges to Rajasthan Knowledge Corporation Limited	1266.03	419.22
	- Dividend Received from Rajasthan Knowledge Corporation Limited	18.00	18.00
	- Sale of books to Odisha Knowledge Corporation Limited	50.00	120.00
	- For other service charges to Odisha Knowledge Corporation Limited	451.49	322.95
	- Sale of books to Haryana Knowledge Corporation Limited	10.00	20.00
	- For other service charges to Haryana Knowledge Corporation Limited	418.85	78.83
	- Royalty and Other from MKCL International FZE	245.85	253.02
	- For Business Center Facilities given to MKCL Knowledge Foundation	25.87	-
4.	Receivable		
	- Rajasthan Knowledge Corporation Limited	163.08	10.05
	- Odisha Knowledge Corporation Limited	199.61	116.63
	- MKCL International FZE	259.36	267.87
	- Haryana Knowledge Corporation Limited	304.51	26.98
	- Maharashtra Knowledge Foundation	-	3.65
	- MKCL Lanka Private Limited	1.53	-

Names of related parties and description of relationship -

1.	Rajasthan Knowledge Corporation Limited	-	Joint Venture
2.	Odisha Knowledge Corporation Limited	-	Joint Venture
3.	Haryana Knowledge Corporation Limited	-	Joint Venture
4.	MKCL International FZE	-	Subsidiary Company
5.	MKCL Knowledge Foundation	-	Subsidiary Company
6.	Maharashtra Knowledge Foundation	-	Charitable Trust
7.	MKCL Lanka Private Limited	-	Foreign Company

X. TAXES ON INCOME

Tax expenses for the year comprise of current tax and deferred tax.

Current taxes are measured, at the amounts expected to be paid in respect of taxable income for the period, using the applicable tax rates and tax laws.

Deferred Tax Liability is recognized subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

Deferred Tax Assets is recognized only when it is certain that there is sufficient future income against which such deferred tax asset can be realized.

For **P.V. Page & Co.**
Chartered Accountants

For and on behalf of the Board
Maharashtra Knowledge Corporation Ltd.

Prakash V. Page
Partner

Anant Sardeshmukh
Director
DIN : 00383994

Vivek Sawant
Managing Director & CEO
DIN : 00002285

Place: Mumbai, INDIA
Date: August 05, 2016

Manoj Narvekar
Chief Financial Officer
M.NO: ACA048254

Komal Chaubal
Company Secretary & Head-Legal Affairs
FCS: 5186

Place: Pune, INDIA
Date: August 05, 2016

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016**

**NOTE NO. 2.1
SHARE CAPITAL**

(In Rupees Lacs)

Particulars	Figures As at 31 st March, 2016		Figures As at 31 st March, 2015	
	Number	Rupees	Number	Rupees
Authorised Share Capital Equity Shares of Rs. 10 each	20,000,000	2,000.00	20,000,000	2,000.00
Issued, Subscribed & Paid Up Share Capital Equity Shares of Rs. 10 each, fully Paid Up	8,080,195	808.02	8,080,195	808.02
Total	8,080,195	808.02	8,080,195	808.02

SHARE HOLDING PATTERN

Name of Shareholder	As at 31 st March, 2016		As at 31 st March, 2015	
	No. of Shares held	% of Total Paid Up Capital	No. of Shares held	% of Total Paid Up Capital
Department of Higher & Technical Education, Government of Maharashtra	3,000,000	37.13	3,000,000	37.13
10 Universities	2,740,000	33.91	2,740,000	33.91
Others	2,340,195	28.96	2,340,195	28.96
Total	8,080,195	100.00	8,080,195	100.00

**NOTE NO. 2.2
RESERVES & SURPLUS**

(In Rupees Lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
General Reserve Account		
Opening Balance	5,300.00	5,000.00
(+) Current Year Transfer	300.00	300.00
Closing Balance	5,600.00	5,300.00
Foreign Currency Translation Reserve		
Opening Balance	6.90	6.22
(+) Current Year Transfer	(15.09)	0.67
Closing Balance	(8.19)	6.89
Surplus		
Opening balance	13,219.18	11,028.35
Depreciation Amount Adjusted on Assets whose useful Life is Nil	-	(111.19)
(+) Surplus For the current year	3,122.44	2,796.60
Total Allocable Surplus - (A)	16,341.62	13,713.76
Allocations & Appropriations		
(+) Transfer to Foreign Currency Translation Reserve	15.09	-
(-) Transfer to Foreign Currency Translation Reserve	-	0.67
(-) Transfer to Reserves	300.00	300.00
(-) Proposed Dividends	161.60	161.60
(-) Tax on Dividends	32.90	32.31
Total Allocations & Appropriations -(B)	479.41	494.58
Closing Balance (A-B)	15,862.19	13,219.18
Total	21,454.00	18,526.07

**NOTE NO. 2.3
DEFERRED TAX LIABILITIES (NET)**

(In Rupees Lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Deffered Tax Liability		
Opening Balance	102.49	120.81
Transfer during the year	(7.22)	(18.32)
Total	95.27	102.49
Deferred Tax Asset		
Opening Balance	38.94	32.73
Transfer during the year	6.50	6.21
Total	45.44	38.94
Total	49.83	63.55

NOTE NO 2.4**OTHER LONG TERM LIABILITIES**

(In Rupees Lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(a) Trade Payables	-	-
(b) Others		
Study Material Deposit	262.40	320.28
Performance Guarantee Money & Retention	14.56	21.12
Security Deposits	217.50	234.50
Total	494.46	575.90

NOTE NO 2.5**LONG-TERM PROVISIONS**

(In Rupees Lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(a) Provision for employee benefits		
Leave Encashment	416.40	285.80
(b) Others	14.78	14.78
Total	431.18	300.58

NOTE NO 2.6**TRADE PAYABLES**

(In Rupees Lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Liability towards Network Partners	1,385.86	2,358.46
Creditors for Material & Services	1,474.29	1,168.25
Payable to University	2.29	11.22
Total	2,862.44	3,537.93

NOTE NO 2.7

OTHER CURRENT LIABILITIES

(In Rupees Lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a) Unclaimed Dividend	12.66	4.44
Tax Deducted at Source	83.16	82.27
Service Tax	21.24	0.34
Tax on Works Contracts under MVAT	0.22	0.60
Professional Tax	0.58	0.51
b) Others		
Common Marketing Contribution	169.95	471.40
Other Liabilities	672.57	460.29
Total	960.38	1,019.85

NOTE NO 2.8

SHORT TERM PROVISIONS

(In Rupees Lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(a) Provision for employee benefits		
Salary & Reimbursements	226.13	22.72
Contribution to ESIC	0.24	0.23
Contribution to Provident Fund	33.18	29.01
Provision for Performance Linked Awards	350.00	350.00
Employee Advance	0.62	0.35
Director's Remuneration	4.09	1.72
(b) Others		
Provision for Corporate Income Tax (A.Y. 10-11)	1,069.37	1,069.37
Provision for Corporate Income Tax (A.Y. 11-12)	1,025.00	1,025.00
Provision for Corporate Income Tax (A.Y. 12-13)	1,365.00	1,365.00
Provision for Corporate Income Tax (A.Y. 13-14)	1,770.00	1,770.00
Provision for Corporate Income Tax (A.Y. 14-15)	1,850.00	1,850.00
Provision for Corporate Income Tax (A.Y. 15-16)	1,335.00	1,335.00
Provision for Corporate Income Tax (A.Y. 16-17)	1,600.00	-
Provision for Proposed Dividend	161.60	161.60
Corporate Dividend Tax Payable	32.90	32.31
VAT Payable (F.Y. 12-13)	-	9.90
VAT Payable (F.Y. 14-15)	-	5.53
Total	10,823.13	9,027.74

**NOTE NO 2.9
FIXED ASSETS**

(In Rupees lacs)

Sr. No.	Particulars	Gross Block						Accumulated Depreciation						Net Block	
		Balance as at 1 April 2015	Additions	Deletion / Transfers	Revaluations/ (Impairments)	Balance as at 31 st March 2016	Balance as at 1 April 2015	De-precia-tion Amount Adjusted on Assets whose useful Life is Nil on or before 01-04-14	Adjust-ment due to revalu-ations	Depre-ciation charge for the year	On dispos-als	Balance as at 31 st March 2016	Balance as at 31 st March 2015		
a	Tangible Assets														
	Land	40.87	-	-	-	40.87	-	-	-	-	-	-	-	40.87	40.87
	Lease Hold Land	1,684.26	-	-	-	1,684.26	-	-	-	-	-	-	-	1,586.67	1,618.05
	Office Premises	2,096.16	-	0.21	-	2,095.95	482.58	-	-	-	-	-	-	1,534.86	1,613.59
	Plant and Machinery	1.04	-	-	-	1.04	1.04	-	-	-	-	-	-	-	-
	Furniture and Fixtures	436.47	12.05	0.24	-	448.28	245.39	-	-	-	-	-	-	149.89	191.08
	Office Equipment and Appliances	343.51	3.30	1.80	-	345.01	261.67	-	-	-	-	-	-	52.41	81.84
	Computer Hardware	518.88	31.37	10.20	-	540.04	452.92	-	-	-	-	-	-	46.52	65.96
	Electrical Fittings	175.73	5.68	1.53	-	179.88	100.09	-	-	-	-	-	-	60.47	75.64
	Air Conditioner	82.90	2.55	0.79	-	84.66	40.29	-	-	-	-	-	-	38.22	42.61
	Solar Panels Power Generation Plant	6.46	-	-	-	6.46	3.81	-	-	-	-	-	-	2.04	2.64
	Total - a	5,386.27	54.95	14.77	-	5,426.45	1,653.99	-	-	-	-	-	-	3,511.95	3,732.28
b	Intangible Assets														
	Computer software	413.36	6.17	-	-	419.53	337.65	-	-	-	-	-	-	50.52	75.71
	Total - b	413.36	6.17	-	-	419.53	337.65	-	-	-	-	-	-	50.52	75.71
c	Capital Work In Progress														
	Capital Work In Progress	6.15	-	6.15	-	-	-	-	-	-	-	-	-	-	6.15
	Total - c	6.15	-	6.15	-	-	-	-	-	-	-	-	-	-	6.15
	Total - a + b	5,805.78	61.12	20.92	-	5,845.98	1,991.64	-	-	-	-	-	-	3,562.47	3,814.14
	Previous Period	5,455.82	349.95	-	-	5,805.78	1,633.20	111.19	1,744.39	247.25	-	1,991.64	-	3,814.14	3,822.63

NOTE NO 2.10

NON-CURRENT INVESTMENTS

(In Rupees Lacs)

	Particulars	As at 31 st March, 2016	As at 31 st March, 2015
A	Trade Investments		
	(a) Investment in Equity instruments		
	MKCL International FZE 1 Share @ Rs.18,80,816/-	18.81	18.81
	Rajasthan Knowledge Corporation Limited 6,00,000 Shares @ Rs.10/- each	60.00	60.00
	Odisha Knowledge Corporation Limited 6,00,000 Shares @ Rs.10/- each	60.00	60.00
	Haryana Knowledge Corporation Limited 6,00,000 Shares @ Rs.10/- each	60.00	60.00
	MKCL Knowledge Foundation 20,00,000 Shares @ Rs.10/- each	200.00	200.00
	(b) Long Term Tax Free Bonds	6,449.15	-
	Total	6,847.96	398.81

Sr. No	Name of Long Term Tax Free Bonds	No. of Bonds	Date of Maturity
1	NTPC Ltd. Long Term Tax Free Bond	31229	4-Oct-2030
2	PFC Ltd. Long Term Tax Free Bond	12835	16-Oct-2030
3	REC Ltd. Long Term Tax Free Bond	57252	4-Nov-2030
4	IRFC Long Term Tax Free Bond	105700	20-Dec-2030
5	IRFC Long Term Tax Free Bond	29392	21-Mar-2031
6	IREDA Long Term Tax Free Bond	85150	20-Jan-2031
7	NHAI Long Term Tax Free Bond	165705	11-Jan-2031
8	NHAI Long Term Tax Free Bond	46255	8-Mar-2031
9	HUDCO Long term Tax Free Bond	81281	7-Feb-2031
10	HUDCO Long term Tax Free Bond	30116	14-Mar-2031
	Total Investments	644915	

NOTE NO 2.11

LONG TERM LOANS AND ADVANCES

(In Rupees Lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a. Capital Advances	-	-
b. Security Deposits		
Unsecured, considered good	81.18	84.47
c. Corporate Income Tax	-	-
Corporate Income Tax Paid (A.Y. 10-11)	1,077.72	1,077.72
Corporate Income Tax Paid (A.Y. 11-12)	999.89	999.89
Corporate Income Tax Paid (A.Y. 12-13)	1,370.81	1,370.81
Corporate Income Tax Paid (A.Y. 13-14)	1,786.32	1,786.32
Corporate Income Tax Paid (A.Y. 14-15)	1,887.66	1,887.66
Corporate Income Tax Paid (A.Y. 15-16)	1,485.98	1,478.17
Corporate Income Tax Paid (A.Y. 16-17)	1,684.93	-
Refund Receivable-Corporate Tax (A.Y. 07-08)	2.73	2.73
Refund Receivable-Corporate Tax (A.Y. 08-09)	13.52	13.52
Tax on Works Contracts under MVAT	0.10	-
d. VAT Refund Receivable		
VAT Refund Receivable (F.Y. 09-10)	0.03	0.03
VAT Refund Receivable (F.Y. 10-11)	-	7.03
VAT Refund Receivable (F.Y. 11-12)	0.59	0.59
VAT Refund Receivable (F.Y. 14-15)	0.01	-
e. Others-Unsecured, considered good		
Advance to BSNL	590.00	590.00
Advance to BARC	2.66	2.66
Total	10,984.12	9,301.60

**NOTE NO 2.12
INVENTORIES**

(In Rupees Lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a. Stock-in-trade - At Cost (As certified by the Management)		
Inventory of Books MS-CIT	404.69	535.27
Inventory of Books KLiC	126.58	-
Inventory of Educational Material	0.30	0.40
Inventory of MOM Question Bank	3.65	-
Inventory of Sugarcane Planters	9.70	9.70
Inventory of Contour Markers	0.20	0.20
Total	545.12	545.57

INVENTORY AND QUANTITATIVE DETAILS

Inventory includes set of Study Materials and Project Materials. These stocks are valued at Cost or Fair Value whichever is lower. Cost for the purpose includes cost of purchase, freight and all incidental costs incurred to bring these inventories to Company. Cost is arrived at by applying Weighted Average Formula.

Items	Opening Quantity (Nos)	Receipts Quantity (Nos)	Issues Quantity (Nos)	Closing Quantity (Nos)
Books- MS-CIT	633,671	550,000	718,266	465,405
Books- KLiC	-	148,970	13,036	135,934
Educational Material	48	-	-	48
Contour Markers	8	-	-	8
Sugarcane Planters	10	-	-	10

**NOTE NO 2.13
TRADE RECEIVABLES**

(In Rupees Lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Unsecured, considered good		
- Outstanding for a period exceeding six months from the date they are due for payment	678.11	1,076.57
- Others	1,938.42	1,058.73
Total	2,616.53	2,135.30

NOTE NO 2.14**CASH AND CASH EQUIVALENTS**

(In Rupees Lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a. Balances with banks	263.20	2,482.53
b. Cash in hand	1.28	2.47
c. Liquid Rate Income Fund	938.78	450.13
d. Others-Fixed Deposit	10,590.55	13,419.85
Total	11,793.81	16,354.98

Other disclosures related to Cash and Cash Equivalents

(In Rupees Lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Earmarked balances with banks (Unpaid Dividends)	13.59	5.28
Balances with banks to the extent held against performance bank guarantees	2.62	26.32
Bank deposits with more than 12 months maturity	10,590.55	6,426.04

NOTE NO 2.15**OTHER CURRENT ASSETS**

(In Rupees Lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Prepaid Expenses	97.71	40.39
Accrued Interest on Fixed Deposits	1,420.56	1,263.35
Others	15.16	5.50
Total	1,533.43	1,309.24

NOTE NO 2.16

REVENUE FROM OPERATIONS

(In Rupees Lacs)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
I. Sale of products	69.93	351.04
II Sale of services		
Knowledge Lit Skill Development Program (KLSDP)		
- Revenue from MS-CIT course	8,556.79	8,547.25
- Revenue from Other courses	517.83	523.33
	9,074.62	9,070.58
Nationwide Business Development Program (N-BDP)	1,880.05	740.09
Network Partnership Management Program (NP-MP)		
- Registration/Renewal/Processing/Annual/LMS License Fees	195.69	206.21
Digital University- Business Development Program (DU-BDP)	1,397.00	1,037.69
OASIS-Business Development Program (OASIS-BDP)		
- Online Admissions	496.04	655.75
- Recruitment Projects	261.86	1,257.45
	757.90	1,913.20
eGovernance-Business Development Program (eGov-BDP)		
- Design & Development of Digital MLS	3.39	67.74
- eTendering Services & Others	126.23	134.81
	129.62	202.55
Educational eGovernance Business Development Program (Edu-eGov BDP)	21.80	25.81
MKCL Finishing Schools (MFS) Program	22.41	8.17
Excellence & Talent Nurturance Program (Excel-TNP)	15.61	-
International Business Development Program (INT-BDP)	245.85	253.02
Total	13,810.48	13,808.36

NOTE NO 2.17
OTHER INCOME

(In Rupees Lacs)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Interest Income (On deposits with banks and others)	1,163.55	1,076.51
Interest Income (On Long Term Tax Free Bonds)	105.06	-
Dividend from Subsidiary company	-	76.82
Dividend from Associate company	42.00	-
Dividend Income	165.30	318.64
Gain/(Loss) on foreign currency	11.17	(11.87)
Other non-operating income (net of expenses directly attributable to such income)	93.31	56.67
Old Balances Written Back	803.66	599.53
Total	2,384.05	2,116.30

NOTE NO 2.18
EXPENSES ON COURSES & PROGRAMS

(In Rupees Lacs)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Knowledge Lit Skill development Program (KLSDP)		
Share, Exam/Re-Exam Fees, Content Development	3,977.63	4,724.64
Advertisement & Sales Promotion	796.37	592.22
Course Material Related Expenses	343.01	564.09
Expenses on Other Courses	377.91	230.49
	5,494.92	6,111.44
Nationwide Business Development Program (N-BDP)	248.93	92.58
Network Partnership Management Program (NP-MP)	413.81	336.06
Digital University- Business Development Program (DU-BDP)	257.65	259.48
OASIS-Business Development Program (OASIS-BDP)		
Online Admissions	54.99	65.26
Recruitment Projects	92.92	339.82
	147.91	405.08
eGovernance-Business Development Program (eGov-BDP)	6.64	5.89
Educational eGovernance (EDU-eGOV)	14.88	-
MKCL Finishing Schools Program	61.94	55.47
Excellence & Talent Nurturance Program (Excel-TNP)	9.61	-
International Business Development Program (INT-BDP)	28.32	29.54
Total	6,684.61	7,295.54

NOTE NO 2.19

EMPLOYEE BENEFIT EXPENSES

(In Rupees Lacs)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
(a) Salaries	2,457.42	1,996.18
(b) Contributions to -		
(i) Provident fund	171.69	142.03
(ii) Gratuity fund	34.31	54.48
(c) Staff welfare expense	5.10	10.13
Total	2,668.52	2,202.82

NOTE NO 2.20

OTHER EXPENSES

(In Rupees Lacs)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Advertisement/Sales Promotion expenses	8.13	3.82
Education Promotion Teaching and Development Expenses	0.67	102.10
Auditors Remuneration incl. out of pocket expenses	20.86	21.17
Bank Charges	0.37	0.67
Communication Expenses	41.36	43.78
Donations	53.25	92.00
Electricity charges	88.11	79.41
Taxes with Interest	12.27	8.01
Legal, Professional & Consultancy Charges	96.56	87.26
Maintenance of Offices & Building	132.06	123.08
Meeting Expenses	14.00	29.44
Old Balances Written Off	0.05	0.55
Printing and Stationary	22.38	10.41
Rent Rates Taxes and Insurance	194.04	184.19
Repairs and Maintenance	45.36	40.81
Recruitment Expenses	4.35	32.96
Traveling and Conveyance	67.21	58.91
Website hosting and registration expenses	42.95	44.51
Miscellaneous Expenses	23.34	24.48
Expenses on CSR Activities	44.55	-
Bad Debts	233.76	139.41
Total	1,145.63	1,126.97

NOTE NO 2.21**EARNING PER EQUITY SHARE**

(In Rupees Lacs)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Net Profit attributable to equity shareholders	3,122.44	2,796.60
Weighted average number of equity shares outstanding	8,080,195	8,080,195
Earnings Per Share Basic & Diluted (Rs.)	38.64	34.61

NOTE NO 2.22**EARNING IN FOREIGN EXCHANGE**

(In Rupees Lacs)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Royalty and other income from MKCL International FZE	245.85	253.02
Total	245.85	253.02

NOTE NO 2.23**EXPENSES IN FOREIGN EXCHANGE**

(In Rupees Lacs)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Foreign Travel Expenses	1.46	0.62
On Software Services	0.11	-
Total	1.57	0.62

NOTE NO 2.24**DIRECTORS REMUNERATION**

(In Rupees Lacs)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Salary	22.14	18.45
Performance linked awards	4.82	6.14
Other Allowances	13.28	11.25
Contributions to PF	2.66	2.21
Perquisites	9.20	8.50
Gratuity	0.92	0.77
Total	53.02	47.32

NOTE NO 2.25

PAYMENT TO THE AUDITORS

(In Rupees Lacs)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
As :		
a) Auditors	18.32	17.98
b) For Taxation Audit	1.72	1.69
c) For Taxation matters	2.00	1.99
d) For Other Services	0.86	1.17
e) For Reimbursement of Expenses	0.28	0.15
Total	23.18	22.98

NOTE NO 2.26

OBLIGATIONS OF LONG-TERM NON-CANCELABLE OPERATING LEASES

The lease rentals charged during the period and maximum obligations on long-term non-cancelable operating leases payable as per the rentals stated in the respective agreement are as follows:

(In Rupees Lacs)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Lease Rental recognized during the year		
Mumbai Office	6.30	6.30
Pune Offices and Guest House	169.44	158.93
Lucknow Office	1.84	6.07
Total of Lease on Office premises	177.58	171.30
Lease Obligations payable		
Not later than one year of the Balance Sheet date	173.81	162.62
Later than one year and not later than five years	93.41	271.77
Later than five years	-	-

NOTE NO 2.27**SEGMENT REPORTING
REPORTABLE SEGMENT**

(Knowledge Lit Skill Development Program (KLSDP), NPMP and KLiC Courses outside Maharashtra under N-BDP), (N-BDP excluding KLiC Courses outside Maharashtra), DU-BDP and OASIS-BDP are identified as reportable Primary segments on the basis of Business Segment as defined in Accounting Standard 17 - Segment Reporting issued by Institute of Chartered Accountants of India, since revenue from these activities constitutes more than 75% of the total revenue of the Company.

Particulars	For the period ended 31 st March 2016					For the period ended 31 st March 2015							
	PRIMARY SEGMENT				Total	PRIMARY SEGMENT				Total			
	KLSDP/ NPMP	N-BDP	DU-BDP	OASIS- BDP		Total PRIMARY SEGMENT	Other	Edu- BDP/ KLSDP	OASIS- BDP		DU-BDP	Total PRIMARY SEGMENT	Other
Revenue													
Revenue from Business Development Program	9,278.30	1,872.07	1,397.01	757.90	13,305.27	505.21	9,070.58	1,913.20	1,037.69	12,021.47	1,786.88	13,808.36	
Other Income	-	-	-	-	-	-	-	-	-	-	-	2,116.30	
Total Revenue												15,924.66	
Expenses													
Direct expenses attributable to Business Development Program	6,531.30	247.33	257.65	147.90	7,184.18	177.26	6,733.91	405.08	259.48	7,398.47	786.09	8,184.56	
Other Allocable Expenses	1,724.52	516.56	630.09	46.91	3,318.08	463.95	1,508.51	338.79	291.38	2,138.67	657.14	2,795.81	
Unallocable Expenses	-	-	-	-	-	-	-	-	-	-	-	837.21	
Total Expenses												11,817.58	
Profit Before Tax												4,107.08	

NOTE NO 2.28
CONTINGENT LIABILITIES

(In Rupees Lacs)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Outstanding Bank Guarantees for - Performance guarantee for services given	2.62	26.32
Total Contingent Liabilities	2.62	26.32

- 1 Performance bank guarantees aggregating to Rs.590 lacs were invoked by BSNL, unilaterally. In our opinion, such action of M/s. BSNL was not justifiable and tenable and hence the company has challenged the action of M/s. BSNL by invoking appropriate legal recourse. Arbitration proceeding in this matter has been initiated as per the order of Honorable Civil Court, Pune. The Company has filed a Special Civil Suit on 10th April, 2012 in the Honorable Court of Pune against M/s. WICeNeT Ltd. regarding the counter Indemnity Bond given by M/s WICeNeT Ltd to Maharashtra Knowledge Corporation Ltd. in respect of the Performance Bank Guarantee given by Maharashtra Knowledge Corporation Ltd. to M/s. BSNL, which is invoked. The total claim amount in the said suit is Rs.583 lakhs.
- 2 The Company has gone into appeal against the 143(3) order issued by the Income Tax Department for F.Y. 2009-2010 i.e. for A. Y 2010-2011. The Income Tax demand raised in the 143 (3) order of Rs.14.27 lakhs, against this the company has already paid Rs.7.00 lakhs, as a pre-requisite for going into appeal. Appeal order has been passed but the final liability is yet to be ascertained by the assessing officer so the balance amount of demand of Income Tax of Rs.7.27 lakhs is of contingent nature.

NOTE NO 2.29
INVESTMENT IN LIQUID RATE INCOME FUND

Company has shown investment in Liquid Rate Income Fund under Cash and cash equivalents as the amounts lying in Liquid Rate Income Fund can be withdrawn / invested on, as and when required basis.

NOTE NO 2.30
EXCEPTIONAL ITEMS

Prior period expenses are in the nature of some project related expenses and content related charges per learner, which are booked during the year during the settlement of the account of the vendors.

NOTE NO 2.31
RECLASSIFICATION

Figures for the previous year wherever necessary have been regrouped, recast and rearranged to conform to requirement of Revised Schedule III format of Balance Sheet and Statement of Profit & Loss prescribed by the new Companies Act, 2013.

Independent Auditor's Report on Consolidated Financial Statements

To the Members of
Maharashtra Knowledge Corporation Limited

Report on the Consolidated Financial Statements

We have audited the accompanying financial statements of Maharashtra Knowledge Corporation Limited (*hereinafter referred to as "the Holding company"*), and its subsidiaries (*the holding company and its subsidiaries together referred to as "The Group"*) its associates which comprise the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (*hereinafter referred to as "the consolidated financial statements"*).

Management's Responsibility for the Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and the audit evidence obtained by other auditors in terms of their reports referred to in sub paragraph (a) of the other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Holding Company as at March 31, 2016, and its Consolidated Profit/Loss and its Consolidated Cash Flow for the year ended on that date.

Other Matters

- a. We did not audit the financial statements / financial information of two subsidiary, whose financial statements / financial information reflect total assets of Rs.2121.79 Lakhs as at 31st March, 2016, total revenues of Rs.733.47 lakhs for the year ended on that date, as considered in the consolidated financial statements.

The consolidated financial statements also include the Group's share of net profit/(loss) of Rs. 710.44 Lakhs for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of three associates, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Holding Company so far as it appears from our examination of those books;
 - c. the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d. in our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors of the Holding Company as on 31 March, 2016, taken on record by the Board of Directors holding company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group Companies and Its associate companies are disqualified as on 31 March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Group and its associates does not have any pending litigations which would impact its financial position.
- ii. The Group and its associates did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts ,required to be transferred, to the Investor Education and Protection Fund by the Group and its associates.

For and on behalf of
P. V. Page & Co
Chartered Accountants
Firm's registration number:107243W

Prakash Page
Partner
Membership number:030560

Place: Mumbai, India
Date: August 05, 2016

“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

1. (a) The Holding Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.

(b) The Holding Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of immovable properties are held in the name of the company.
2. (a) The management of the Holding company has conducted the physical verification of inventory at reasonable intervals.

b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
3. The Holding Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Holding Company and hence not commented upon.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
5. The Holding Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
6. As informed to us, the maintenance of Cost Records has been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Holding company and the same have been maintained properly by the Holding company.
7. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the holding Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.

b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
8. In our opinion and according to the information and explanations given to us, the Holding Company has not defaulted in the repayment of dues to banks. The Holding Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
9. Based upon the audit procedures performed and the information and explanations given by the management, the holding company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
10. Based upon the audit procedures performed and the information and explanations given by the management of the holding company, we report that no fraud by the Holding Company or on the Holding company by its officers or employees has been noticed or reported during the year.
11. Based upon the audit procedures performed and the information and explanations given by the management of the holding company, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not

applicable to the Company.

13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. Based upon the audit procedures performed and the information and explanations given by the management of the holding company, the holding company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Holding Company and hence not commented upon.
15. Based upon the audit procedures performed and the information and explanations given by the management of the holding company, the holding company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
16. In our opinion, the holding company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of
P. V. Page & Co
Chartered Accountants
Firm's registration number:107243W

Prakash Page
Partner
Membership number:030560

Place: Mumbai, India
Date: August 05, 2016

“Annexure B” to the Independent Auditor’s Report of even date on the consolidated Financial Statements

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Maharashtra Knowledge Corporation Limited (“the Holding Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are

subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiaries have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

For and on behalf of
P. V. Page & Co
Chartered Accountants
Firm’s registration number:107243W

Prakash Page
Partner
Membership number:030560

Place: Mumbai, India
Date: August 05, 2016

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH , 2016

(In Rupees Lacs)

Particulars	Note No.	Figures as at 31 st March, 2016	Figures as at 31 st March, 2015
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2.1	808.02	808.02
(b) Reserves and surplus	2.2	25,086.12	21,058.59
(c) Money received against share warrants		-	-
2 Share application money pending allotment		-	-
3 Non-current liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)	2.3	49.83	63.55
(c) Other Long-term liabilities	2.4	494.46	575.90
(d) Long-term provisions	2.5	439.72	300.58
4 Current liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables	2.6	2,946.20	3,539.98
(c) Other current liabilities	2.7	963.44	1,019.85
(d) Short-term provisions	2.8	10,823.12	9,027.74
TOTAL		41,610.91	36,394.21
II. ASSETS			
1 Non-current assets			
(a) Fixed assets	2.9		
(i) Tangible assets		3,511.95	3,732.28
(ii) Intangible assets		50.52	75.71
(iii) Capital work-in-progress		-	6.15
(iv) Intangible assets under development		-	-
(b) Non-current investments	2.10	8,836.97	1,661.47
(c) Deferred tax assets (net)	2.3	-	-
(d) Long-term loans and advances	2.11	10,986.51	9,302.14
(e) Other non-current assets		-	-
2 Current assets			
(a) Current investments		-	-
(b) Inventories	2.12	545.12	545.57
(c) Trade receivables	2.13	2,458.77	1,961.76
(d) Cash and cash equivalents	2.14	13,666.04	17,795.03
(e) Short-term loans and advances	2.15	0.01	-
(f) Other current assets	2.16	1,555.02	1,314.10
TOTAL		41,610.91	36,394.21

Significant Accounting Policies

The accompanying notes form an integral part of the Financial Statements.

As per our report attached

For and on behalf of the Board

Maharashtra Knowledge Corporation Ltd.

For **P.V. Page & Co.**
Chartered Accountants

Anant Sardeshmukh
Director
DIN : 00383994

Vivek Sawant
Managing Director & CEO
DIN : 00002285

Prakash V. Page
Partner

Manoj Narvekar
Chief Financial Officer
M.NO: ACA048254

Komal Chaubal
Company Secretary & Head-Legal Affairs
FCS: 5186

Place: Mumbai, INDIA
Date: August 05, 2016

Place: Pune, INDIA
Date: August 05, 2016

CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

(In Rupees Lacs)

Particulars		Note No.	Figures as at 31 st March, 2016	Figures as at 31 st March, 2015
I.	Revenue from operations	2.17	13,564.65	13,555.34
II.	Other income	2.18	3,094.88	2,538.01
III.	Total Revenue (I + II)		16,659.53	16,093.35
IV.	Expenses			
	Expenses on courses & programs	2.19	6,773.00	7,295.54
	Purchases of Stock-in-Trade		676.38	1,421.40
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade		0.44	(532.38)
	Employee benefits expense	2.20	2,709.21	2,202.82
	Depreciation and amortization expense	2.9	303.94	247.25
	Other expenses	2.21	1,159.09	1,188.47
	Total expenses		11,622.06	11,823.10
V.	Profit before exceptional and extraordinary items and tax (III-IV)		5,037.44	4,270.25
VI.	Exceptional items	2.31	6.29	55.98
VII.	Profit before extraordinary items and tax (V - VI)		5,031.15	4,214.27
VIII.	Extraordinary Items		-	-
IX.	Profit before tax (VII- VIII)		5,031.15	4,214.27
IXA.	ADD: Share in Profit/(Loss) of Associates		710.44	307.92
X.	Tax expense:			
	(1) Current tax		1,600.00	1,335.00
	(2) Deferred tax		(13.72)	(24.52)
	(3) Income Tax (Prior Period)		-	-
XI.	Profit (Loss) for the period from continuing operations (IX + IXA - X)		4,155.31	3,211.71
XII.	Profit/(loss) from discontinuing operations		-	-
XIII.	Tax expense of discontinuing operations		-	-
XIV.	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV.	Profit (Loss) for the period (XI + XIV)		4,155.31	3,211.71
XVI.	Earnings per equity share:			
	(1) Basic	2.22	51.43	39.75
	(2) Diluted	2.22	51.43	39.75

Significant Accounting Policies

The accompanying notes form an integral part of the Financial Statements.

As per our report attached

For and on behalf of the Board
Maharashtra Knowledge Corporation Ltd.

For **P.V. Page & Co.**
Chartered Accountants

Anant Sardeshmukh
Director
DIN : 00383994

Vivek Sawant
Managing Director & CEO
DIN : 00002285

Prakash V. Page
Partner

Manoj Narvekar
Chief Financial Officer
M.NO: ACA048254

Komal Chaubal
Company Secretary & Head-Legal Affairs
FCS: 5186

Place: Mumbai, INDIA
Date: August 05, 2016

Place: Pune, INDIA
Date: August 05, 2016

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH , 2016
(AS PER SCHEDULE III TO THE COMPANIES ACT, 2013)**

(In Rupees Lacs)

Particulars	Figures as at 31 st March 2016	Figures as at 31 st March 2015
A. Cash flows from operating activities		
Net profit before tax	5,031.15	-
Net profit before tax as per audited consolidated P & L of FY 14-15	-	4,106.45
Adjustments for:		
Depreciation	303.94	247.25
Interest income	(1,290.22)	(1,081.92)
Dividend & Other income	(991.41)	(375.31)
Operating profit before working capital changes	3,053.46	2,896.46
Adjustments for:		
Sundry debtors and other receivables	(734.65)	197.10
Inventories	0.44	(532.38)
Current Liabilities and Provision for expenses	(397.69)	441.66
Cash generated from operations	1,921.57	3,002.84
Income taxes paid (net of refunds, if any)	(1,719.98)	(1,496.24)
Net cash from operating activities	201.59	1,506.60
B. Cash flows from investing activities		
Purchase of fixed assets	(52.27)	(349.95)
Share in Profit / (Loss) of Associates	710.44	307.92
Increase in Investments in associates	(710.44)	(307.92)
Foreign Currency Translation Adjustment	66.72	-
Increase in Investments on Consolidation	(15.91)	-
Increase in Investments	(6,449.15)	-
Interest income	1,290.22	1,081.92
Dividend & Other income	991.41	375.31
Net cash used for investing activities	(4,168.98)	1,107.28
C. Cash flows from financing activities		
Dividends paid	(161.60)	(202.00)
Net cash from financing activities	(161.60)	(202.00)
Net increase in cash and cash equivalents (A + B + C)	(4,128.99)	2,411.88
Cash and cash equivalents at beginning of period	17,795.03	-
Cash and cash equivalents at beginning of period as per audited consolidated Balance Sheet of FY 14-15 + Cash and cash equivalent of audited accounts of foreign subsidiary as on 31-3-15	-	15,383.15
Cash and cash equivalents at end of period	13,666.04	17,795.03

As per our report attached

For and on behalf of the Board
Maharashtra Knowledge Corporation Ltd.

For **P.V. Page & Co.**
Chartered Accountants

Anant Sardeshmukh
Director
DIN : 00383994

Vivek Sawant
Managing Director & CEO
DIN : 00002285

Prakash V. Page
Partner

Manoj Narvekar
Chief Financial Officer
M.NO: ACA048254

Komal Chaubal
Company Secretary & Head-Legal Affairs
FCS: 5186

Place: Mumbai, INDIA
Date: August 05, 2016

Place: Pune, INDIA
Date: August 05, 2016

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016.

NOTES ON ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Consolidation:

- a. The Consolidated Financial Statements (“CFS”) relate to Maharashtra Knowledge Corporation Limited (“the Company” or “the Parent Company”) with its Foreign Subsidiary namely MKCL International (FZE), Indian subsidiary namely MKCL Knowledge Foundation and with its Indian Associate Companies namely Rajasthan Knowledge Corporation Limited, Haryana Knowledge Corporation Limited and Odisha Knowledge Corporation Limited collectively referred to as “the Group”.
- b. The CFS has been prepared in accordance with the Accounting Standard (AS) 21 “Consolidated Financial Statements”, and Accounting Standard (AS) 23 “Accounting for investments in Associates in Consolidated Financial Statements” issued by the institute of Chartered Accountants of India.

B. Principles of Consolidation:

- a. The financial statements of the Company and its subsidiary companies has been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances/transactions and unrealized profits or losses.
- b. In case of foreign subsidiary, being non integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the Exchange Fluctuation Reserve.
- c. Investments in associate companies in which the Company has significant influence but not a controlling interest, are reported according to the equity method. The carrying amount of the investment is adjusted for the post acquisition change in the group’s share of net assets of the investee. The Consolidated Statement of Profit and Loss includes the Company’s share of the results of the operations of the investee.

I. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

The accompanying financial statements of the Company are prepared in accordance with the Generally Accepted Accounting Principles (GAAP) applicable in India, under historical cost convention and on the accrual basis. The financial statements are presented in Indian rupees rounded off to the nearest rupees in lacs.

GAAP comprises mandatory accounting standards issued by the Institute of Chartered Accountants of India (“ICAI”) and the provisions of the Companies Act, 2013.

II. USE OF ESTIMATES

The preparation of financial statement in conformity with GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of financial statement, and the reported amounts of revenue and expenses during the reported year. Actual results could differ from those estimates which are recognized in the period in which the results are known/ materialized.

III. REVENUE RECOGNITION

a. Income from Programs

Knowledge Lit Skill Development Program (KLSDP)

Course Fees from the MS-CIT course primarily consist of revenue accrued based upon number of learners registered on web-based SOLAR application of the Company during the current accounting period.

Exam Fees and Re-exam Fees from the MS-CIT course are recognized on the basis of learners registered on web-based SOLAR application.

Nationwide Business Development Program (N-BDP)

Revenue from Nationwide Business Development Program (N-BDP) is recognized on learners count as confirmed on web-based SOLAR application of the company.

Network Partnerships Management Program (NP-MP)

Renewal Fees collected from centers are recognized on accrual basis and on confirmations received from web-based SOLAR application.

Digital University - Business Development Program (DU-BDP)

Revenue from Digital University Business Development Program is recognized as per the count confirmations of admissions received from the web - based Digital University application.

OASIS Business Development Program (OASIS-BDP)

Revenue from Admission/Recruitment Projects is recognized as per the count confirmations of admissions and recruitment received from the web - based OASIS application.

International Business Development Program (INT-BDP)

Income is recognized on accrual basis and 100% royalty income is booked on admission confirmation.

b. Other Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Income from investments in liquid rate funds is recognized upon receipt of income from the respective fund.

IV. EXPENDITURE

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

Charges relating to non-cancelable long-term operating lease are computed on the basis of lease rentals payable as per the relevant lease agreement and recognized as expense

V. FIXED ASSETS

Fixed assets are stated at cost less accumulated depreciation. Cost for the purpose includes cost of acquisition, installation, duties and taxes, and other incidental expenses incurred during acquisition, construction or installation of fixed assets. Computers include software purchased. Land acquired on lease for 99 years or less is treated as leasehold land.

VI. DEPRECIATION

The depreciation is charged based on the useful lives of various Tangible assets as specified under Part-C of Schedule II of The Companies Act, 2013.

For depreciation on Intangible assets the rates are applicable as per the provisions of the Accounting Standard on WDV basis. Cost of leasehold land for 99 years or less is amortized over the remaining lease period.

VII. FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions on initial recognition in the reporting currency are accounted for at the exchange rates prevailing on the date of transaction.

Foreign exchange gain or loss, resulting on account of reinstatement of monetary items on the date of balance sheet using exchange rate as on the date of Balance Sheet is recognized as income or expense for the period.

Exchange differences arising on the company's net investment in foreign subsidiary being a non-integral foreign operation are accumulated in a Foreign Currency Translation Reserve until the disposal of such investment, at which time they are recognized as income or as expense.

VIII. EMPLOYEE BENEFITS

Employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and are recognized in the period in which the employee renders the related service.

The company contributes to a Provident Fund, which is a defined contribution plan, and is charged to Statement of Profit and Loss.

The Company provided for gratuity, a defined benefit retirement plan covering all employees. It has subscribed to the Group Gratuity Plan of Life Insurance Corporation of India. The Plan provides for a lump sum payment to employees at retirement, death, incapacitation or termination of service; of an amount based on the respective employee's last drawn salary and tenure of employment. Liability with regard to Gratuity Plan is accrued based on actuarial valuation at the Balance Sheet date, carried out by an independent actuary. Actuarial gain or loss is recognized immediately in the statement of Profit and Loss as income or expense.

Leave encashment liability is provided on the basis of leave outstanding to the credit of employees at the Balance Sheet date.

IX. DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES

Related Party disclosures have been set out in the following statement. The related parties, as defined by Accounting Standard 18 'Related Party Disclosures' issued by The Institute of Chartered Accountants of India, in respect of which the disclosures have been made, have been identified on the basis of disclosures made by the key managerial persons and taken on record by the Board.

(Rupees in Lacs)			
Sr. No.	Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
1	Investments		
	- Rajasthan Knowledge Corporation Limited	60.00	60.00
	- Odisha Knowledge Corporation Limited	60.00	60.00
	- Haryana Knowledge Corporation Limited	60.00	60.00
	- MKCL International FZE	18.81	18.81
	- MKCL Knowledge Foundation	200.00	-
2	Expenses		
	- Incurred on behalf of MKCL International FZE	13.51	18.77
	- Incurred on behalf of Rajasthan Knowledge Corporation Limited (net)	0.86	1.05
	- Incurred on behalf of Odisha Knowledge Corporation Limited (net)	1.01	1.24
	- Incurred on behalf of Haryana Knowledge Corporation Limited (net)	(12.37)	(0.91)
	- Incurred on behalf of MKCL Knowledge Foundation (net)	7.09	5.56
	- Incurred on behalf of Maharashtra Knowledge Foundation	(0.58)	16.71
	- Incurred on behalf of Maharashtra Knowledge Foundation-(Donation)	-	90.00
	- Corporate Social Responsibility (CSR) payments given to MKCL Knowledge Foundation as implementation Agency	22.50	-
3	Income		
	- Sale of books to Rajasthan Knowledge Corporation Limited	-	210.00
	- For other service charges to Rajasthan Knowledge Corporation Limited	1266.03	419.22
	- Dividend Received from Rajasthan Knowledge Corporation Limited	18.00	18.00
	- Sale of books to Odisha Knowledge Corporation Limited	50.00	120.00

	- For other service charges to Odisha Knowledge Corporation Limited	451.49	322.95
	- Sale of books to Haryana Knowledge Corporation Limited	10.00	20.00
	- For other service charges to Haryana Knowledge Corporation Limited	418.85	78.83
	- Royalty and Other from MKCL International FZE	245.85	253.02
	- For Business Center Facilities given to MKCL Knowledge Foundation	25.87	-
4. Receivable			
	- Rajasthan Knowledge Corporation Limited	163.08	10.05
	- Odisha Knowledge Corporation Limited	199.61	116.63
	- MKCL International FZE	259.36	267.87
	- Haryana Knowledge Corporation Limited	304.51	26.98
	- Maharashtra Knowledge Foundation	-	3.65
	- MKCL Lanka Private Limited	1.53	-

Names of related parties and description of relationship -

- | | | |
|--|---|--------------------|
| 1. Rajasthan Knowledge Corporation Limited | - | Joint Venture |
| 2. Odisha Knowledge Corporation Limited | - | Joint Venture |
| 3. Haryana Knowledge Corporation Limited | - | Joint Venture |
| 4. MKCL International FZE | - | Subsidiary Company |
| 5. MKCL Knowledge Foundation | - | Subsidiary Company |
| 6. Maharashtra Knowledge Foundation | - | Charitable Trust |
| 7. MKCL Lanka Private Limited | - | Foreign Company |

X. TAXES ON INCOME

Tax expenses for the year comprise of current tax and deferred tax.

Current taxes are measured, at the amounts expected to be paid in respect of taxable income for the period, using the applicable tax rates and tax laws.

Deferred Tax Liability is recognized subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

Deferred Tax Assets is recognized only when it is certain that there is sufficient future income against which such deferred tax asset can be realized.

For **P.V. Page & Co.**
Chartered Accountants

For and on behalf of the Board
Maharashtra Knowledge Corporation Ltd.

Prakash V. Page
Partner

Anant Sardeshmukh
Director
DIN : 00383994

Vivek Sawant
Managing Director & CEO
DIN : 00002285

Place: Mumbai, INDIA
Date: August 05, 2016

Manoj Narvekar
Chief Financial Officer
M.NO: ACA048254

Komal Chaubal
Company Secretary & Head-Legal Affairs
FCS: 5186

Place: Pune, INDIA
Date: August 05, 2016

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON 31ST MARCH, 2016**

**NOTE NO. 2.1
SHARE CAPITAL**

(In Rupees Lacs)

Particulars	As at 31 st March 2016		As at 31 st March 2015	
	Number	Rupees	Number	Rupees
Authorised Share Capital Equity Shares of Rs. 10 each	20,000,000	2,000.00	20,000,000	2,000.00
Issued, Subscribed & Paid Up Share Capital Equity Shares of Rs. 10 each, fully Paid Up	8,080,195	808.02	8,080,195	808.02
Total	8,080,195	808.02	8,080,195	808.02

SHARE HOLDING PATTERN

Name of Shareholder	As at 31 st March, 2016		As at 31 st March, 2015	
	No. of Shares held	% of Total Paid Up Capital	No. of Shares held	% of Total Paid Up Capital
Department of Higher & Technical Education, Government of Maharashtra	3,000,000	37.13	3,000,000	37.13
10 Universities	2,740,000	33.91	2,740,000	33.91
Others	2,340,195	28.96	2,340,195	28.96
Total	8,080,195	100.00	8,080,195	100.00

**NOTE NO. 2.2
RESERVES & SURPLUS**

(In Rupees Lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
General Reserve Account		
Opening Balance	5,300.00	5,000.00
(+) Current Year Transfer	300.00	300.00
Closing Balance	5,600.00	5,300.00
Foreign Currency Translation Reserve		
Opening Balance	59.76	6.22
(+) Current Year Transfer	(15.09)	0.67
(+) Exchange Fluctuation Reserve	66.72	52.87
(-) Written Back in Current Year	-	-
Closing Balance	111.39	59.76
Surplus		
Opening balance	15,698.83	13,092.89
Depreciation Amount Adjusted on Assets whose useful Life is Nil	-	(111.19)
(+) Surplus For the current year	4,155.30	3,211.71
Total Allocable Surplus - (A)	19,854.13	16,193.41
Allocations & Appropriations		
(+) Transfer to Foreign Currency Translation Reserve	15.09	-
(-) Transfer to Foreign Currency Translation Reserve	-	0.67
(-) Transfer to Reserves	300.00	300.00
(-) Proposed Dividends	161.60	161.60
(-) Tax on Dividends	32.90	32.31
(-) Interim Dividends	-	-
Total Allocations & Appropriations -(B)	479.41	494.58
Closing Balance (A-B)	19,374.73	15,698.83
Total	25,086.12	21,058.59

**NOTE NO. 2.3
DEFERRED TAX LIABILITIES (NET)**

(In Rupees Lacs)

Particulars	As at 31 st March 2016	As at 31 st March 2015
Deffered Tax Liability		
Opening Balance	102.50	120.81
Transfer during the year	(7.22)	(18.31)
Total	95.28	102.50
Deferred Tax Asset		
Opening Balance	38.95	32.74
Transfer during the year	6.50	6.21
Total	45.45	38.95
Total	49.83	63.55

NOTE NO 2.4**OTHER LONG TERM LIABILITIES**

(In Rupees Lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(a) Trade Payables	-	-
(b) Others		
Study Material Deposit	262.40	320.28
Performance Guarantee Money & Retention	14.56	21.12
Security Deposits (from Channel Partners)	217.50	234.50
Total	494.46	575.90

NOTE NO 2.5**LONG-TERM PROVISIONS**

(In Rupees Lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(a) Provision for employee benefits		
Leave Encashment	424.94	285.80
Gratuity	-	-
(b) Others	14.78	14.78
Total	439.72	300.58

NOTE NO 2.6**TRADE PAYABLES**

(In Rupees Lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Liability towards Network Partners	1,385.86	2,358.46
Creditors for Material & Services	1,558.05	1,170.30
Payable to University	2.29	11.22
Total	2,946.20	3,539.98

NOTE NO 2.7

OTHER CURRENT LIABILITIES

(In Rupees Lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a) Unclaimed Dividend	12.66	4.43
Tax Deducted at Source	85.91	82.27
Service Tax	21.24	0.34
Tax on Works Contracts under MVAT	0.22	0.60
Professional Tax	0.61	0.51
b) Others	-	-
Common Marketing Contribution	169.95	471.40
Other Liabilities	672.85	460.30
Total	963.44	1,019.85

NOTE NO 2.8

SHORT TERM PROVISIONS

(In Rupees Lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(a) Provision for employee benefits		
Salary & Reimbursements	226.12	22.72
Contribution to ESIC	0.24	0.23
Contribution to Provident Fund	33.18	29.01
Provision for Performance Linked Awards	350.00	350.00
Employee Advance	0.62	0.35
Director's Remuneration	4.09	1.72
(b) Others		
Provision for Corporate Income Tax (A.Y. 10-11)	1,069.37	1,069.37
Provision for Corporate Income Tax (A.Y. 11-12)	1,025.00	1,025.00
Provision for Corporate Income Tax (A.Y. 12-13)	1,365.00	1,365.00
Provision for Corporate Income Tax (A.Y. 13-14)	1,770.00	1,770.00
Provision for Corporate Income Tax (A.Y. 14-15)	1,850.00	1,850.00
Provision for Corporate Income Tax (A.Y. 15-16)	1,335.00	1,335.00
Provision for Corporate Income Tax (A.Y. 16-17)	1,600.00	-
Provision for Proposed Dividend	161.60	161.60
Corporate Dividend Tax Payable	32.90	32.31
VAT Payable (F.Y. 12-13)	-	9.90
VAT Payable (F.Y. 14-15)	-	5.53
Total	10,823.12	9,027.74

**NOTE NO 2.9
FIXED ASSETS**

(In Rupees Lacs)

Sr. No.	Particulars	Gross Block						Accumulated Depreciation						Net Block		
		Balance as at 1 April 2015	Additions	Deletion / Transfers	Revaluations/ (Impairments)	Balance as at 31 st March 2016	Balance as at 1 April 2015	Depreciation Adjusted on Assets whose useful Life is Nil on or before 01-04-14	Adjustment due to revaluations	Depreciation charge for the year	On disposals	Balance as at 31 st March 2016	Balance as at 31 st March 2015			
a	Tangible Assets															
	Land	40.87	-	-	-	40.87	-	-	-	-	-	-	-	-	40.87	40.87
	Lease Hold Land	1,684.26	-	-	-	1,684.26	66.20	-	-	-	-	-	31.38	-	1,586.67	1,618.05
	Office Premises	2,096.16	-	0.21	-	2,095.95	482.58	-	-	-	-	-	78.52	-	1,534.86	1,613.59
	Plant and Machinery	1.04	-	-	-	1.04	1.04	-	-	-	-	-	-	1.04	-	-
	Furniture and Fixtures	436.47	12.05	0.24	-	448.28	245.39	-	-	-	-	-	53.00	-	149.89	191.08
	Office Equipment and Appliances	343.51	3.30	1.80	-	345.01	261.67	-	-	-	-	-	32.59	1.65	52.41	81.84
	Computer Hardware	518.88	31.37	10.20	-	540.04	452.92	-	-	-	-	-	50.75	10.15	46.52	65.96
	Electrical Fittings	175.73	5.68	1.53	-	179.88	100.09	-	-	-	-	-	19.32	-	60.47	75.64
	Air Conditioner	82.90	2.55	0.79	-	84.66	40.29	-	-	-	-	-	6.41	0.27	38.22	42.61
	Solar Panels Power Generation Plant	6.46	-	-	-	6.46	3.81	-	-	-	-	-	0.60	-	2.04	2.64
	Total - a	5,386.27	54.95	14.77	-	5,426.45	1,653.99	-	-	-	-	-	272.57	12.07	3,511.95	3,732.28
b	Intangible Assets															
	Computer software	413.36	6.17	-	-	419.53	337.65	-	-	-	-	-	31.37	-	50.52	75.71
	Total - b	413.36	6.17	-	-	419.53	337.65	-	-	-	-	-	31.37	-	50.52	75.71
c	Capital Work In Progress															
	Total - c	6.15	-	6.15	-	-	-	-	-	-	-	-	-	-	-	6.15
	Total - a + b	5,805.78	61.12	20.92	-	5,845.98	1,991.64	-	-	-	-	-	303.94	12.07	3,562.47	3,814.14
	Previous Period	5,455.82	349.95	-	-	5,805.78	1,633.20	111.19	1,744.39	-	1,991.64	247.25	-	-	3,814.14	3,822.63

NOTE NO 2.10

NON-CURRENT INVESTMENTS

(In Rupees Lacs)

	Particulars	As at 31 st March, 2016	As at 31 st March, 2015
A	Trade Investments		
	Rajasthan Knowledge Corporation Limited 6,00,000 Shares @ Rs.10/- each	1,954.22	1,352.00
	Odisha Knowledge Corporation Limited 6,00,000 Shares @ Rs.10/- each	236.52	163.50
	Haryana Knowledge Corporation Limited 6,00,000 Shares @ Rs.10/- each	74.86	39.65
	Investment in MKCL Arabia Ltd.	91.95	86.94
	Investment in MKCL Lanka Ltd.	30.27	19.38
	(b) Long Term Tax Free Bonds	6,449.15	-
	Total	8,836.97	1,661.47

Sr. No	Name of Long Term Tax Free Bonds	No. of Bonds	Date of Maturity
1	NTPC LTD Long Term Tax Free Bond	31229	4-Oct-2030
2	PFC Ltd Long Term Tax Free Bond	12835	16-Oct-2030
3	REC Ltd Long Term Tax Free Bond	57252	4-Nov-2030
4	IRFC Long Term Tax Free Bond	105700	20-Dec-2030
5	IRFC Long Term Tax Free Bond	29392	21-Mar-2031
6	IREDA Long Term Tax Free Bond	85150	20-Jan-2031
7	NHAI Long Term Tax Free Bond	165705	11-Jan-2031
8	NHAI Long Term Tax Free Bond	46255	8-Mar-2031
9	HUDCO Long term Tax Free Bond	81281	7-Feb-2031
10	HUDCO Long term Tax Free Bond	30116	14-Mar-2031
	Total Investments	644915	

NOTE NO 2.11

LONG TERM LOANS AND ADVANCES

(In Rupees Lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a. Capital Advances	-	-
b. Security Deposits		
Unsecured, considered good	81.18	84.48
Trade Receivables	-	-
c. Corporate Income Tax		
Corporate Income Tax Paid (A.Y. 10-11)	1,077.72	1,077.72
Corporate Income Tax Paid (A.Y. 11-12)	999.88	999.88
Corporate Income Tax Paid (A.Y. 12-13)	1,370.81	1,370.81
Corporate Income Tax Paid (A.Y. 13-14)	1,786.32	1,786.32
Corporate Income Tax Paid (A.Y. 14-15)	1,887.66	1,887.66
Corporate Income Tax Paid (A.Y. 15-16)	1,486.52	1,478.71
Corporate Income Tax Paid (A.Y. 16-17)	1,686.78	-
Refund Receivable-Corporate Tax (A.Y. 07-08)	2.73	2.73
Refund Receivable-Corporate Tax (A.Y. 08-09)	13.52	13.52
Tax on Works Contracts under MVAT	0.10	-
d. VAT Refund Receivable		
VAT Refund Receivable (F.Y. 09-10)	0.03	0.03
VAT Refund Receivable (F.Y. 10-11)	-	7.03
VAT Refund Receivable (F.Y. 11-12)	0.59	0.59
VAT Refund Receivable (F.Y. 14-15)	0.01	-
e. Others-Unsecured, considered good		
Advance to BSNL	590.00	590.00
Advance to BARC	2.66	2.66
Total	10,986.51	9,302.14

**NOTE NO 2.12
INVENTORIES**

(In Rupees Lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a. Stock-in-trade - At Cost (As certified by the Management)		
Inventory of Books MS-CIT	404.69	535.27
Inventory of Books KLiC	126.58	-
Inventory of Educational Material	0.30	0.40
Inventory of MOM Question Bank	3.65	-
Inventory of Sugarcane Planters	9.70	9.70
Inventory of Contour Markers	0.20	0.20
Total	545.12	545.57

INVENTORY AND QUANTITATIVE DETAILS

Inventory includes set of Study Materials and Project Materials. These stocks are valued at Cost or Fair Value whichever is lower. Cost for the purpose includes cost of purchase, freight and all incidental costs incurred to bring these inventories to Company. Cost is arrived at by applying Weighted Average Formula.

Items	Opening Quantity (Nos)	Receipts Quantity (Nos)	Issues Quantity (Nos)	Closing Quantity (Nos)
Books- MS-CIT	633,671	550,000	718,266	465,405
Books- KLiC	-	148,970	13,036	135,934
Educational Material	48	-	-	48
Contour Markers	8	-	-	8
Sugarcane Planters	10	-	-	10

**NOTE NO 2.13
TRADE RECEIVABLES**

(In Rupees Lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Unsecured, considered good outstanding for a period exceeding six months from the date they are due for payment	678.11	1,076.57
Others	1,780.66	885.19
Total	2,458.77	1,961.76

NOTE NO 2.14**CASH AND CASH EQUIVALENTS**

(In Rupees Lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a. Balances with banks	1,874.45	3,728.70
b. Cash in hand	1.39	2.48
c. Liquid Rate Income Fund	938.78	450.13
d. Others-Fixed Deposit	10,851.42	13,613.72
Total	13,666.04	17,795.03

Other disclosures related to Cash and Cash Equivalents

(In Rupees Lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Earmarked balances with banks (Unpaid Dividends)	13.59	5.28
Balances with banks to the extent held against performance bank guarantees	2.62	26.32
Bank deposits with more than 12 months maturity	10,590.55	6,619.91

NOTE NO 2.15**SHORT TERM LOANS & ADVANCES**

(In Rupees Lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a) Others (specify nature) Group Gratuity Account Balance	0.01	-
Total	0.01	-

NOTE NO 2.16**OTHER CURRENT ASSETS**

(In Rupees Lacs)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Prepaid Expenses	97.75	40.39
Accrued Interest on Fixed Deposits	1,442.11	1,268.21
Others	15.16	5.50
Total	1,555.02	1,314.10

NOTE NO. 2.17

REVENUE FROM OPERATIONS

(In Rupees Lacs)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
I. Sale of products	69.93	351.04
II Sale of services		
Knowledge Lit Skill Development Program (KLSDP)		
- Revenue from MS-CIT course	8,556.79	8,547.25
- Revenue from Other courses	517.84	523.33
	9,074.63	9,070.58
Nationwide Business Development Program (N-BDP)	1,880.05	740.09
Network Partnership Management Program (NP-MP)		
- Registration/Renewal/Processing/Annual/LMS License Fees	195.69	206.21
Digital University- Business Development Program (DU-BDP)	1,397.01	1,037.69
OASIS-Business Development Program (OASIS-BDP)		
- Online Admissions	496.04	655.75
- Recruitment Projects	261.86	1,257.45
	757.90	1,913.20
eGovernance-Business Development Program (eGov-BDP)		
- Design & Development of Digital MLS	3.39	67.74
- eTendering Services & Others	126.23	134.81
	129.62	202.55
Educational eGovernance Business Development Program (Edu-eGov BDP)	21.80	25.81
MKCL Finishing Schools (MFS) Program	22.41	8.17
Excellence & Talent Nurturance Program (Excel-TNP)	15.61	-
International Business Development Program (INT-BDP)	-	-
Total	13,564.65	13,555.34

NOTE NO 2.18

OTHER INCOME

(In Rupees Lacs)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Interest Income (On deposits with banks)	1,185.16	1,084.98
Interest Income (On Long Term Tax Free Bonds)	105.06	-
Dividend from Subsidiary company	552.95	489.94
Dividend from Associate company	42.00	-
Dividend Income	165.30	318.63
Gain/(Loss) on foreign currency	9.59	(11.74)
Other non-operating income (net of expenses directly attributable to such income)	231.16	56.67
Old Balances Written Back	803.66	599.53
Total	3,094.88	2,538.01

NOTE NO. 2.19

EXPENSES ON COURSES & PROGRAMS

(In Rupees Lacs)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Knowledge Lit Skill Development Program (KLSDP)		
- Share, Exam/Re-Exam Fees, Content Development	3,977.63	4,724.64
- Advertisement & Sales Promotion	796.37	592.22
- Course Material Related Expenses	343.01	564.09
- Expenses on Other Courses	377.91	230.49
	5,494.92	6,111.44
Nationwide Business Development Program (N-BDP)	248.93	92.58
Network Partnership Management Program (NP-MP)	413.81	336.06
Digital University- Business Development Program (DU-BDP)	257.65	259.48
OASIS-Business Development Program (OASIS-BDP)		
- Online Admissions	54.99	65.26
- Recruitment Projects	92.91	339.82
	147.90	405.08
eGovernance-Business Development Program (eGov-BDP)	6.64	5.89
Educational eGovernance Business Development Program (EDU-eGOV-BDP)	14.88	-
MKCL Finishing Schools (MFS) Program	61.94	55.47
Excellence & Talent Nurturance Program (Excel-TNP)	9.61	-
International Business Development Program (INT-BDP)	28.32	29.54
MKCL KF Expenses Other Projects (of Local 100% Subsidiary)	88.40	-
Total	6,773.00	7,295.54

NOTE NO. 2.20

EMPLOYEE BENEFIT EXPENSES

(In Rupees Lacs)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
(a) Salaries	2,481.19	1,996.18
(b) Contributions to -		
(i) Provident fund	178.92	142.03
(ii) Gratuity fund	35.46	54.47
(c) Staff welfare expense	5.10	10.13
(d) Leave encashment	8.54	-
Total	2,709.21	2,202.82

NOTE NO. 2.21

OTHER EXPENSES

(In Rupees Lacs)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Advertisement/Sales Promotion expenses	8.13	3.82
Education Promotion Teaching and Development Expenses	0.67	102.10
Auditors Remuneration incl. out of pocket expenses	20.98	21.28
Bank Charges	0.64	0.87
Communication Expenses	41.75	43.90
Donations	53.25	92.00
Electricity charges	88.11	79.41
Taxes with Interest	12.35	50.51
Legal, Professional & Consultancy Charges	102.33	100.26
Maintenance of Offices & Building	132.31	123.07
Meeting Expenses	14.00	29.44
Old Balances Written Off	0.05	0.55
Printing and Stationary	22.46	10.54
Rent Rates Taxes and Insurance	194.04	184.19
Repairs and Maintenance	45.36	40.81
Recruitment Expenses	4.35	32.96
Traveling and Conveyance	69.75	63.84
Website hosting and registration expenses	42.98	44.51
Miscellaneous Expenses	24.04	25.00
Expenses on CSR Activities	44.55	-
Bad Debts	233.76	139.41
Business Center Facilities Expenses	3.23	-
Total	1,159.09	1,188.47

Note No 2.22**EARNING PER EQUITY SHARE**

(In Rupees Lacs)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Net Profit attributable to equity shareholders	4,155.30	3,211.71
Weighted average number of equity shares outstanding	8,080,195	8,080,195
Earnings Per Share Basic & Diluted (Rs.)	51.43	39.75

Note No 2.23**EARNING IN FOREIGN EXCHANGE**

(In Rupees Lacs)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Royalty and other income from MKCL International FZE	245.85	253.02
Total	245.85	253.02

Note No 2.24**EXPENSES IN FOREIGN EXCHANGE**

(In Rupees Lacs)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Foreign Travel Expenses	1.46	0.62
On Software Services	0.11	-
Total	1.57	0.62

Note No 2.25**DIRECTORS REMUNERATION**

(In Rupees Lacs)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Salary	22.14	18.45
Performance linked awards	4.82	6.14
Other Allowances	13.28	11.25
Contributions to PF	2.66	2.21
Perquisites	9.20	8.50
Gratuity	0.92	0.77
Total	53.02	47.32

Note No 2.26

PAYMENT TO AUDITORS

(In Rupees Lacs)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
As :		
a) Auditors	18.43	18.09
b) For Taxation Audit	1.72	1.69
c) For Taxation matters	2.00	1.99
d) Certification & Consultation fees	0.86	1.17
e) For Reimbursement of Expenses	0.28	0.15
Total	23.29	23.09

Note No 2.27

OBLIGATION OF LONG-TERM NON-CANCELABLE LEASES

The lease rentals charged during the period and maximum obligations on long-term non-cancelable operating leases payable as per the rentals stated in the respective agreement are as follows:

(In Rupees Lacs)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Lease Rental recognized during the year		
Mumbai Office	6.30	6.30
Pune Offices and Guest House	169.44	158.93
Lucknow Office	1.84	6.07
Total of Lease on Office premises	177.58	171.30
Lease Obligations payable		
Not later than one year of the Balance Sheet date	173.81	162.62
Later than one year and not later than five years	93.41	271.77
Later than five years	-	-

NOTE NO 2.28**SEGMENT REPORTING
Reportable Segment**

(Knowledge Lit Skill Development Program (KLSDP), NPMP and KLiC Courses outside Maharashtra under N-BDP), (N-BDP excluding KLiC Courses outside Maharashtra) ,DU-BDP and OASIS-BDP are identified as reportable Primary segments on the basis of Business Segment as defined in Accounting Standard 17 - Segment Reporting issued by Institute of Chartered Accountants of India, since revenue from these activities constitutes more than 75% of the total revenue of the Company.

(In Rupees Lacs)

Particulars	For the period ended 31 st March 2016						For the period ended 31 st March 2015						
	PRIMARY SEGMENT			Total PRIMARY SEGMENT	Other	Total	PRIMARY SEGMENT			Total PRIMARY SEGMENT	Other	Total	
	KLSDP/ NPMP	N-BDP	DU-BDP				OASIS-BDP	Edu-BDP /KLSDP	OASIS-BDP				DU-BDP
Revenue													
Revenue from Business Development Program	9,278.30	1,872.07	1,397.01	757.90	13,305.27	259.36	13,564.63	9,070.58	1,913.20	1,037.69	12,021.47	1,533.86	13,555.34
Other Income	-	-	-	-	-	-	3,094.88	-	-	-	-	-	2,538.02
Total Revenue	-	-	-	-	-	-	16,659.51	-	-	-	-	-	16,093.36
Expenses													
Direct expenses attributable to Business Development Program	6,531.30	247.33	257.65	147.90	7,184.18	265.65	7,449.83	6,733.91	405.08	259.48	7,398.47	786.09	8,184.56
Other Allocable Expenses	1,724.52	516.56	630.09	446.91	3,318.08	518.11	3,836.18	1,511.88	339.50	291.77	2,143.14	714.05	2,857.19
Unallocable Expenses	-	-	-	-	-	-	342.35	-	-	-	-	-	837.34
Total Expenses	-	-	-	-	-	-	11,628.36	-	-	-	-	-	11,879.09
Profit Before Tax	-	-	-	-	-	-	5,031.15	-	-	-	-	-	4,214.27

Note No 2.29

CONTINGENT LIABILITIES

(In Rupees Lacs)

Particulars	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Outstanding Bank Guarantees for - Performance guarantee for services given	2.62	26.32
Total Contingent Liabilities	2.62	26.32

- 1 Performance bank guarantees aggregating to Rs.590 lacs were invoked by BSNL, unilaterally. In our opinion, such action of M/s. BSNL was not justifiable and tenable and hence the company has challenged the action of M/s. BSNL by invoking appropriate legal recourse. Arbitration proceeding in this matter has been initiated as per the order of Honorable Civil Court, Pune. The Company has filed a Special Civil Suit on 10th April, 2012 in the Honorable Court of Pune against M/s. WICENeT Ltd. regarding the counter Indemnity Bond given by M/s WICENeT Ltd to Maharashtra Knowledge Corporation Ltd. in respect of the Performance Bank Guarantee given by Maharashtra Knowledge Corporation Ltd. to M/s. BSNL, which is invoked. The total claim amount in the said suit is Rs.583 lakhs.
- 2 The Company has gone into appeal against the 143(3) order issued by the Income Tax Department for F.Y. 2009-2010 i.e. for A. Y 2010-2011. The Income Tax demand raised in the 143 (3) order of Rs.14.27 lakhs, against this the company has already paid Rs.7.00 lakhs, as a pre-requisite for going into appeal. Appeal order has been passed but the final liability is yet to be ascertained by the assessing officer so the balance amount of demand of Income Tax of Rs.7.27 lakhs is of contingent nature.

Note No 2.30

INVESTMENT IN LIQUID RATE INCOME FUND.

Company has shown investment in Liquid Rate Income Fund under Cash and cash equivalents as the amounts lying in Liquid Rate Income Fund can be withdrawn / invested on, as and when required basis.

Note No 2.31

EXCEPTIONAL ITEMS

Prior period expenses are in the nature of some project related expenses and and content related charges per learner, which are booked during the year during the settlement of account of the vendors.

Note No 2.32

RECLASSIFICATION

Figures for the previous year wherever necessary have been regrouped, recast and rearranged to conform to requirement of Revised Schedule III format of Balance Sheet and Statement of Profit & Loss prescribed by the new Companies Act, 2013.

IN CONSOLIDATED FINANCIAL STATEMENTS, THE FOLLOWING SHALL BE DISCLOSED BY WAY OF ADDITIONAL INFORMATION

Name of the entity in the	For the year ended 31-3-16		For the year ended 31-3-16		For the year ended 31-3-15		For the year ended 31-3-15	
	Net assets i.e. total assets minus total liabilities	Rs. In Lacs	Share in Profit or loss	Rs. In Lacs	Net assets i.e. total assets minus total liabilities	Rs. In Lacs	Share in Profit or loss	Rs. In Lacs
1	2	3	4	5	2	3	4	5
Parent Subsidiaries - Indian								
1. MKCL Knowledge Foundation	100%	221.63	100%	22.26	100%	199.36	100%	(0.64)
Parent Subsidiaries - Foreign								
1. MKCL International (FZE)	100%	1,550.84	100%	300.72	100%	1177.94	100%	187.8

Name of the entity in the	For the year ended 31-3-16		For the year ended 31-3-16		For the year ended 31-3-16		For the year ended 31-3-16	
	Net assets i.e. total assets minus total liabilities	Rs. In Lacs	Share in Profit or loss	Rs. In Lacs	Net assets i.e. total assets minus total liabilities	Rs. In Lacs	Share in Profit or loss	Rs. In Lacs
1	2	3	4	5	2	3	4	5
Parents Associates-Indian								
1 Rajasthan Knowledge Corporation Limited	-	-	30%	602.23	-	-	30%	272.70
2 Odisha Knowledge Corporation Limited	-	-	50%	73.1	-	-	50%	56.15
3 Haryana Knowledge Corporation Limited	-	-	30%	35.20	-	-	30%	(20.93)
Consolidation done as per Equity Method			Total	<u>710.44</u>				<u>307.92</u>

From this current financial year the company has done consolidation of its foreign subsidiary as required under the provisions of Rule 6 to Companies Act, 2013. For comparison, similar consolidation is done for previous financial year.

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Branch Office:

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